

15.0 BENEFITS & TIME OFF

15.1 Interpretation of Benefits Policies

EOC wants to provide valuable benefits to its employees. Each benefit program offered has its own eligibility requirements that must be satisfied before a particular employee may participate in such program. For most programs, there is a written plan document or insurance contract that sets forth the details of the program and the particular eligibility requirements. EOC reserves the right to change, modify or delete any benefits at its discretion.

While EOC will attempt to explain the basic elements of such programs in this Manual and elsewhere, the terms of the written plan documents or insurance contracts will control the administration of any benefits under such programs. To the extent that any statements or assurances are made in any form (including this Manual) that may contradict the provisions of the plan documents or insurance contracts, such statements or assurances are to be disregarded; the provisions set forth in the written plan documents or insurance contracts will control EOC's obligations and determine the outcome of any situation. This includes any determinations regarding breaks in service.

In order to understand many of EOC's benefit programs, it will be helpful to define certain terms as used in the below summaries. The following definitions will apply to interpret EOC's benefits programs:

- ◆ **“Workday”**: When calculating the rates at which time off is accrued or used, the term “workday” refers an incremental period based on the number of hours the employee is regularly scheduled to work, excluding overtime. For employees regularly scheduled to work forty (40) hours per week, one “workday” consists of eight hours. For employees regularly scheduled to work less than forty (40) hours per week, the “workday” is in proportion to the number of their regularly scheduled hours per week, excluding overtime. For example, an employee regularly scheduled to work thirty (30) hours per week would accrue and use time off based on three-fourths the full rate; i.e., a six-hour “workday”. This definition applies to all time-off benefits, such as vacation, holidays, sick time, etc., unless otherwise specifically stated.
- ◆ **“Immediate Family”**: Unless otherwise stated in the specific policy, the term “immediate family” refers to the employee's spouse, registered domestic partner, child and parent. It also includes the children of the employee's spouse or registered domestic partner.
- ◆ **“Extended Family”**: Unless otherwise stated in the specific policy, the term “extended family” refers to the employee's siblings, grandparents, grandchildren, aunts, uncles, nieces or nephews. It also includes the employee's step-parents, -siblings and -children, and comparable in-law relations.
- ◆ **“Doctor's Certification”**: When an absence is due to the employee's own illness or injury, or that of an employee's immediate family member, EOC may require that

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the absence be supported by a doctor's certification. The employee must provide EOC with a written doctor's certification from the treating physician or health-care provider that meets the following criteria: (i) a statement verifying the medical necessity for the employee to be absent from work; and (ii) the physician/health-care provider's **best estimate** of when the employee will be able to return to work. The certification is **not** to provide any confidential medical information. If the employee is out due to his/her own illness, the employee must provide a doctor's note certifying that the employee is fit to return to duty.

15.2 Statutory Benefits

In addition to wages and salaries, EOC contributes to government mandated programs on behalf of all of its employees. These benefits include: Social Security; Medicare; State Unemployment Insurance; Federal Unemployment Tax; and Workers' Compensation Insurance. EOC also makes payroll deductions for mandatory State Disability Insurance ("SDI") and California's mandatory Paid Family Leave Insurance ("PFLI"). SDI and PFLI benefits are available through the California Employment Development Department. Employees may elect to use any available vacation time before they collect PFLI benefits. Where employees are collecting SDI or PFLI, EOC will coordinate the payment of any vacation or sick pay with such benefits, in order to maximize income to the employee.

15.3 Insurance Benefits

EOC offers protection through a group medical, dental, vision, life and AD&D insurance program to all Regular, Seasonal and Limited Term employees who are either full-time, or if part-time, are regularly scheduled to work at least 20 hours per week. EOC will pay the full amount of the premiums to cover full-time employees and one-half of the premiums to cover eligible part-time employees. Eligible employees may elect, at their own cost, to have medical, dental and vision insurance coverage for their dependents. "Domestic partners" as defined under EOC's applicable insurance policies are eligible for coverage as dependents.

Additionally, Regular full-time employees who are regularly scheduled to work "Year-Round" at least 30 hours per week are eligible for EOC's Long Term Disability ("LTD") insurance program. LTD insurance will not be continued while the employee is in any non-work status that is not due to the employee's own disability. Various eligibility requirements apply to this LTD program; details are available from the Human Resources Department.

New employees become eligible for most of these insurance programs on the first day of the calendar month following their hire date. Employees who become eligible due to a status change are eligible for most insurance benefits on the first day of the calendar month following their change in status.

Except as specifically required by law (such as Family & Medical Leave) or stated in this Policy Manual, during any leave of absence, the employee must pay the entire cost of continuing any group health insurance; however, when an employee is on a personal

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leave of absence, EOC will pay its normal contribution toward premiums for the balance of the calendar month in which the employee begins a leave of absence. Where the employee is on a medical leave not otherwise covered by EOC's Family & Medical Leave policy, EOC will pay its normal contribution toward premiums for the balance of the calendar month in which the employee begins a leave of absence, plus the immediately following calendar month.

This section is intended only as an overview of our group insurance programs. EOC reserves the right to change, modify or delete any benefits at its discretion. Detailed information is provided in the Group Insurance Benefits booklets.

15.4 Section 403(b) Retirement Savings Plan

EOC offers eligible employees the opportunity to contribute a portion of their earnings to a Section 403(b) Retirement Savings Plan. All Regular, Seasonal and Limited Term employees who complete at least six months of service may participate in this Plan on the first day of the next calendar quarter (quarters begin each January, April, July and October). This Plan allows eligible employees to contribute an amount from each paycheck for retirement investments. The investment contribution is deducted from wages before income taxes are calculated, which will reduce tax withholdings, so that you will also pay taxes only on the amount of your pay after the contributions are taken. You may contribute as little or as much as you want, up to the limits set forth in the Plan documents. Additional eligibility requirements may apply. See the Human Resources Department for details of the Plan.

15.5 Section 125 Cafeteria Plan

All Regular, Seasonal and Limited Term employees may participate in this Plan beginning on the first day of the month following one full calendar month of employment. This plan allows eligible employees the opportunity to take advantage of current federal income tax laws entitling them to pay medical expenses and dependent-care expenses on a pre-tax basis. Under the law, employees may choose between receiving all of their salary as taxable income or reducing their taxable income by an amount they specify to be directed to their Medical Expense Reimbursement account, Dependent Health Insurance Premiums account, and/or their Dependent Care Reimbursement account. The amount redirected is not subject to federal or state income tax or social security tax. When participating employees have paid for allowable expenses, they may file a request and receive tax-free reimbursement from their account. Further information is available from the Human Resources Department.

15.6 Holidays

All Regular, Seasonal and Limited Term employees shall generally receive ten (10) paid holidays during the course of each calendar year. The observed holidays are: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving Day and Christmas Day. The Chief Executive Officer is authorized to declare up to two (2) additional workdays of paid holidays in any calendar year.

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In order to be eligible for holiday pay, you must be in a paid status (i.e., either at work or on authorized paid absence) both the full scheduled working day before and the full scheduled working day after the holiday, unless otherwise authorized. For the purpose of calculating holiday pay, each holiday will be equal to one fifth of your regular total work week hours. Non-exempt employees shall be paid for holidays based upon their non-premium, regular hourly rate; exempt employees shall be paid their regular weekly salary. Holiday pay will not be counted as time worked in the calculation of overtime.

When a holiday falls on a weekend, it will be observed on the nearest regular working day. A schedule of the dates on which EOC's paid holidays will be observed will be distributed just prior to the beginning of each calendar year. Non-exempt employees required to work on paid holidays will be paid at their regular rate of pay for all hours worked on the holiday, in addition to holiday pay for the day, unless your manager designates an alternate day for you to observe the holiday with pay during the same pay period.

Employees who wish to observe religious holidays that are not designated as an EOC holiday may take the necessary time off to do so, unless your absence would create an undue hardship. Such time will be unpaid; however, a Personal Holiday or vacation time may also be used. Such time should be scheduled at least two (2) weeks in advance; requests should be submitted to your supervisor.

15.7 Personal Holidays

In addition to ordinary holidays, EOC will grant all Regular, Seasonal and Limited Term employees one extra workday off with pay as a "Personal Holiday" each calendar year to use whenever the employee wishes. New employees will be granted a pro-rata Personal Holiday for the balance of the calendar year in which they are hired (i.e., an employee hired on July 1st would receive one-half of a workday as a Personal Holiday for that calendar year). The Personal Holiday must be scheduled with your supervisor at least three (3) weeks in advance; please use the Time Off Request Form (attached in Appendix). For the purpose of calculating pay, a Personal Holiday will be treated as one workday. Employees must take their Personal Holiday all at once as a full day off. Partial days, with no minimum increment, may be taken by non-exempts who have exhausted all available sick or vacation.

Any Personal Holiday that is not used by the end of the calendar year will be converted to unused vacation in accordance with EOC's vacation policy; the maximum accrual levels for vacation time will not be expanded by virtue of an unused Personal Holiday. Similarly, any Personal Holiday not used at the time of termination will be converted to unused vacation and paid in accordance with EOC's vacation policy; there are no other carry-overs or "cash-outs" of Personal Holidays. Personal Holiday pay does not count as time worked for calculating overtime time.

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15.8 Vacation

Vacations are meant for the relaxation of employees, so they may feel more refreshed at work and be more productive. EOC strongly encourages eligible employees to take vacations for this purpose; vacation time is not available to use for absences due to illness or other medical needs so long as any paid sick time is available.

All Regular, Seasonal and Limited Term employees are eligible to accrue vacation and will earn vacation time at the following annual rates, with the following maximum accrual levels:

<u>Completed Continuous Years of Service</u>	<u>Rate of Vacation Earned Per Year</u>	<u>Maximum Accrual Level</u>
Less than 3	10 workdays	240 hours
3 to 9	16 workday	240 hours
10 to 14	18 workdays	320 hours
15+	20 workdays	320 hours

Employees do not accrue any vacation while on unpaid leave or on furlough. Vacation time may not be taken in advance of being earned. Exempt employees must use vacation in minimum increments of one full workday.

Once an employee has earned this maximum amount, no additional vacation time will be earned (nor any unused Personal Holidays or sick time added to the unused vacation balance) until previously earned vacation time is used. The amount of vacation you have accrued will be indicated on your pay-stub in terms of “hours” available. Vacation does not count as time worked for calculating overtime.

Employees requesting vacation time should obtain necessary approvals and submit the request to their supervisor no less than three (3) weeks in advance; please use the Time Off Request Form (attached to Appendix). This is necessary because of scheduling demands; requests with less notice might be considered, but are discouraged. EOC has the right to control the scheduling of both the timing and length of vacations in order to minimize disruption to the organization; however, every effort will be made to schedule vacations during a mutually convenient time. If a paid holiday occurs while you are on approved vacation, you will be paid for the holiday and the holiday will not be counted as a vacation day.

Employees who are placed on furlough may request to be paid for all or part of their unused vacation upon beginning their furlough. Any unused vacation that is not “cashed-out” will remain “on account” for the employee. For all employees, any vacation earned and not used will be paid at the time of termination. There are no other “cash-outs” of vacation.

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15.9 Sick Time

All Regular, Introductory, Seasonal and Limited Term employees who have been employed in such status for three (3) consecutive months are eligible to accrue paid sick time. Paid sick time will then accrue at the rate of one workday per calendar month. Employees do not accrue sick time during their first three (3) months, while on leave of absence or while on furlough.

Sick time may not be used for vacation or any reason other than the employee's own illness or doctor's appointments, or the illness or doctor's appointments of the employee's immediate family or siblings. Conversely, available sick time will be applied to any absence due to illness or other medical needs; if you have exhausted available sick leave, only then may you request to apply vacation or administrative leave to such absences. Employees may also elect to use sick time to cover time spent on jury or witness leave that would otherwise be unpaid. EOC may require a statement from a doctor verifying any illness causing an absence from work, or other documentation supporting an absence, even if the absence is unpaid.

Exempt employees must use sick time in minimum increments of one full workday. Paid sick time does not count as time worked for calculating overtime.

Sick time may be accrued to a maximum of 280 hours. Once an employee reaches this maximum, no additional sick time will be accrued until sick time is taken and the maximum accrued available falls below 280 hours.

As an additional benefit of not using sick time, employees who have completed one full **calendar** year of service may elect to convert a portion of their unused sick time from the preceding calendar year into vacation time. Elections must be made by January 30th of each new year or within the first 30 days of returning to work if staff were on a leave of absence or furlough on January 1st.

The maximum accrual levels for vacation will not be expanded in order to accommodate a request to convert any unused sick time.

Conversion Chart

<u>Sick Leave Used</u>	<u>% Allowed to Convert to Vacation</u>	<u>Maximum</u>
1 Day or Less	50%	6 Work Days
2 Days or less	40%	4.5 Work
3 Days or less	30%	3 Work Days
4 Days or less	20%	2 Work Days

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5 Days or less

10%

1 Work Day

Employees separating from employment before the last day of the calendar year will not be eligible to convert any portion of unused sick time held during that calendar year. There are no cash-outs of sick time or long-term sick time for any purpose, including upon termination.

15.10 Catastrophic Illness or Injury

EOC's Catastrophic Program enables interested employees to donate a portion of their accrued sick time to help a fellow employee who is suffering from a catastrophic illness or injury or has an immediate family member who is suffering from one. The Catastrophic Program is available to those employees who have exhausted all available EOC-provided paid leave and are not eligible for any other source of payment during their absence (other than SDI or PFLI, which will be coordinated with other benefits). The affected employee must first complete a Request for Catastrophic assistance application and submit it to the Human Resources Department along with a doctor's certification of the catastrophic illness or injury. Various eligibility requirements will apply; see the Human Resources Department for details.

If approved, employees will be asked if they would like to voluntarily contribute any amount of their own accrued sick time to the affected employee. The most donated Catastrophic Pay that any employee may receive will be 400 hours per rolling 12-month period. Although there is a maximum amount of donated Catastrophic Pay that any one employee may receive, there is no minimum amount that will necessarily be available. The amount of paid time contributed will depend entirely upon the amount that co-workers, in their sole discretion, voluntarily wish to contribute in any particular instance. However, employees may not donate so much that they would be left with less than eighty (80) hours of sick leave available for their own needs. The amount of sick time donated by an employee will not be counted against the employee in calculating the number of sick days used when determining the conversion of unused sick time to vacation time. Details regarding limits on the contribution and receipt of donated Catastrophic Pay are available from the Human Resources Department.

Regardless of how much is donated, a recipient employee will be paid out Catastrophic Pay only as it is needed. Moreover, Catastrophic Pay will be coordinated with any SDI or PFLI the employee may receive, in order to stretch-out the availability of the Catastrophic Pay. Any Catastrophic Pay that is not used does not belong to the recipient employee; it will either remain available for future recipients or be returned to the donating employees.

15.11 Administration Leave

EOC recognizes that its exempt employees will frequently work long hours and extra days without eligibility for overtime pay. In order to somewhat offset the additional time devoted by exempt employees, at the beginning of each calendar year, each exempt employee will receive an allowance of five (5) workdays of paid Administration Leave.

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New exempt employees will be allowed a pro rata amount of Administration Leave for the balance of the calendar year in which they are hired.

Time off for Administration Leave may be used for any purpose; however, Administrative Leave will not be available for absences for which paid sick time is available, unless all available paid sick time has first been exhausted. Administrative Leave must be taken in full-day increments. Exempt employees wishing to use Administration Leave time should provide reasonable advance notice to and receive approval from their supervisor. If a paid holiday occurs while you are on Administration Leave, you will be paid for the holiday and the holiday will not be counted as an Administration Leave day.

Any Administration Leave that is not used by the end of the calendar year will be converted to unused vacation in accordance with EOC's vacation policy; the maximum accrual levels for vacation time will not be expanded by virtue of an unused Administration Leave. Similarly, any Administration Leave not used at the time of termination will be converted to unused vacation and paid in accordance with EOC's vacation policy; there are no other carry-overs or "cash-outs" of Administration Leave.

15.12 Bereavement

In the event of the death of his/her immediate or extended family (as defined in section 14.1), an eligible employee will be granted up to three (3) consecutive workdays of paid time off to arrange for and/or attend the funeral. All Regular, Seasonal and Limited Term employees are eligible for this benefit. Upon request, the employee's supervisor may permit the use of up to two (2) days of sick time or vacation time to extend the employee's bereavement absence in the event of the death of an immediate or extended family member.

Additional unpaid leave, or unpaid leave for bereavement associated with the loss of other persons, may be granted upon request to and approval by your supervisor. Employees may also request to use accrued vacation time to cover all or part of an otherwise unpaid bereavement absence.

15.13 Jury or Witness Duty

Should you be called for jury or witness duty, it is expected that you will fulfill your civic responsibility. Employees summoned for such duty must provide a copy of their summons to their manager as soon as possible in order to arrange for time off.

EOC does provide limited jury duty pay and will pay non-exempt employees the difference between jury pay and your normal job pay for up to twenty (20) workdays per year. Exempt employees will receive their normal salary while on jury duty for any workweek in which they also perform any official, substantive EOC work; however, an exempt employee who does not perform any official, substantive work during a workweek and has already served at least twenty (20) full workdays of jury duty will not receive any salary for such a week.

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If you are called to serve as a witness as part of your job and in your capacity as an employee of EOC, your service as a witness is work time and all such time will be paid accordingly. If you are called to serve as a witness in any other capacity, such is non-work time. In such cases, EOC will pay you the difference between your witness pay and your normal job pay for up to two (2) workdays per year. Exempt employees will receive their normal salary while on witness duty for any workweek in which they also perform any official, substantive EOC work; however, an exempt employee who does not perform any official, substantive work during a workweek and has already served at least two (2) full workdays of witness duty will not receive any salary for such a week.

If you are dismissed early at any time during jury or witness duty, telephone your supervisor or the Human Resources Department, who may request that you report for work. EOC will require certification from the court or other judicial officer verifying the days of jury or witness service. Employees may use available vacation or sick time to offset any extended jury or witness duty. Benefits will be continued while on jury duty.

15.14 Education Assistance

EOC encourages employees to improve their general skills and knowledge, and views such efforts as beneficial to the Agency. To support this goal, EOC offers eligible employees an education assistance benefit.

Where an eligible employee plans to take courses that are related to the employee's career path, or courses that might provide a benefit to EOC, the employee may submit a request to EOC for reimbursement for some or all of the costs and travel expenditures for attending and successfully completing the course or program. Regular full-time and Seasonal full-time employees with at least six months of continuous service will be eligible. Requests should be made in advance of the employee attending, since requests are not automatically approved. Employees who submit requests after paying for the course or other expenses, or after making any commitment to pay any portion of such expenses, do so at their own risk. Requests will be determined on a case-by-case basis by your Program Manager, to whom requests should be directly submitted.

Where the course or program is approved, EOC will reimburse up to 100% of the costs. All reimbursements are subject EOC's current dollar cap on this benefit. Reimbursement will be made only where the employee provides certification that he or she has successfully completed the course (grade of "C" or better, if ungraded course, satisfactory completion or "pass"). If you leave EOC for any reason within one (1) year of completing the course or program, EOC may require you to repay some or all of the costs. In some instances, up to six (6) hours per week of paid time off to attend such courses may be approved. Employees will not be reimbursed or paid for any courses for which some other source of funding is applicable. Additional criteria apply; see the Human Resources Department for details.

When employees are required to attend training, or request to attend seminars or courses directly impacting their current position, such training, seminars and courses will be handled in accordance with the chapter of this Manual regarding reimbursements.