

CHALLENGE WORKFORCE SOLUTIONS

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL FOR STAFF MEMBERS

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Welcome to the Challenge Workforce Solutions staff,

You are joining a highly skilled and dedicated group of individuals who share in the Challenge mission. That mission is to support people with disabilities and other barriers to employment in developing and matching their skills, interests, and talents to the needs of today's workplace. This is a fairly broad mission reflected in the wide range of programs and individuals that are brought together to meet it. While the programs are varied, we work very hard to see that we remain a unified organization that values the contribution of each area and each individual.

As partners in the effort to meet the Challenge mission, both Challenge and you have certain responsibilities. Challenge provides a range of benefits for you that are detailed in this manual. Also detailed are your responsibilities related to the organization, to our clients, and to your co-workers. The primary responsibility of Challenge and its staff is to meet the needs of our program participants, but we can only be successful when we act as genuine partners.

It is the intention of Challenge to maintain this manual in as current a state as possible. To that end, updates to the manual will be made on a regular basis and Challenge reserves the right to change, revise, or delete the plans, policies, and benefits and procedures described in this manual at any time. Notice of changes will be provided to you, however it is your responsibility and in your best interest to remain familiar with the most recent addition of the manual.

Policy and procedures manuals are typically read with only casual interest if they are read at all. This is something like the attention paid to automobile manuals. Unfortunately information contained in the manual could often have been quite useful at a much earlier date than when the manual was actually consulted. So, please take the time to carefully review this manual and know that we welcome suggestions for improving it.

Once again, welcome to Challenge Workforce Solutions.

Executive Director

CHALLENGE WORKFORCE SOLUTIONS HUMAN RESOURCE POLICIES AND PROCEDURES

INTRODUCTION

This manual provides employees of Challenge with a uniform set of policies and procedures in regard to the employer/employee relationship. This manual is not a contract of employment and does not create any contractual rights of any kind between Challenge and its employees. Your employment with Challenge is “at-will” and entered into voluntarily. You are free to resign at any time, for any reason. Similarly, the company is free to conclude the employment relationship at any time.

The guiding philosophy of our organization underscores the recognition that our employees are our most valuable resource.

Many of our policies and procedures are comparable to those practiced in other employment environments. However, some are unique due to the nature of our mission. Flexibility, reasonableness and circumstance are always a consideration in the implementation of these Human Resource Policies and Procedures. There are, however, Federal, State and Local requirements that are law. We are obligated, as are all employers, to be in compliance with these requirements.

Our organizational structure provides that the Executive Director and the Director of Human Resources, in conjunction with the Board of Directors has the responsibility for developing sound human resource policies and procedures that will attract and retain qualified personnel at all levels of employment. Further, the Executive Director, Director of Human Resources and the Human Resource Committee of the Board of Directors recommend policies and major policy revisions to the Board of Directors. The Human Resource Committee consists of the Executive Director, Director of Human Resources and members of the Board of Directors with other qualified persons as appointed by the Chairperson of the Board in consultation with the Executive Director and the Director of Human Resources. Implementation of management practices and decisions related to policies are the responsibility of the Executive Director and the Director of Human Resources.

PERSONNEL DEFINITIONS

EXEMPT STAFF MEMBERS are those employees exempt from the wage and hour provisions of the Fair Labor Standards Act. They are paid a bi-weekly salary and do not receive additional compensation for hours worked beyond the regular workweek.

NON-EXEMPT STAFF MEMBERS are regulated by the provisions of Federal wage and hour laws. They are eligible for overtime compensation pay if time worked exceeds forty (40) hours per week. Time paid but not worked will not be counted in the calculation of overtime. Overtime work must be approved in advance by the employee’s supervisor.

The term employee as used in this policy refers to all exempt and non-exempt personnel.

APPOINTMENTS

Challenge affirms the principles of Equal Employment in accordance with Federal, New York State and Local Laws. All employment decisions are based on the principles of Equal Employment law.

The Human Resources Department will confirm all staff appointments in writing. At the time of employment, a copy of these Human Resources Policies will be given to newly appointed staff members. The appointee will acknowledge, in writing, the receipt of these Policies.

STANDARDS OF CONDUCT

Confidentiality

All information pertaining to individuals served by Challenge is strictly confidential. Such information is to be discussed only on an as needed basis, and then only with Challenge personnel and professional personnel of other organizations directly involved with those individuals and their families. All staff are required to read and sign a confidentiality agreement. For further information, please refer to the Confidentiality Policy.

Professional Conduct

It is important for all staff to conduct themselves with extraordinary discretion in both their public and private life so that Challenge and its mission are not compromised in any way. Employees must provide positive, professional role models for consumers and fellow staff. The Code of Conduct provides further definition about professional conduct, drug and alcohol use, and consumer/staff relationships. All staff shall familiarize themselves with the goals, policies and procedures of the organization. For further information, please refer to the Code of Conduct Policy.

Failure to adhere to these standards of conduct may result in disciplinary action up to and including discharge.

Physical Contact

Employees of Challenge interact on a continual basis with consumers. In all situations, Challenge employees must assure that the rights and safety of consumers are respected at all times. It is essential for all employees to provide positive, professional role models for consumers and fellow staff.

At no time is an employee, intern, volunteer, contractor or other individual associated with Challenge to engage in sexual contact with a consumer. Any sexual contact between a person receiving services and an employee, intern, volunteer or contractor of Challenge is always considered sexual abuse and is prohibited. Physical contact must be limited to contact that is acceptable to both parties, is appropriate to the relationship and location, and is non-sexual in nature. Consumers who have difficulty with physical touching, or inappropriate sexual behavior will have limit setting and education regarding appropriate social distance.

Any employee of Challenge who violates this policy will be subject to disciplinary action, up to and including discharge, depending upon the nature and seriousness of the incident. For further information, please refer to the Code of Conduct Policy.

TRIAL PERIOD

It is the policy of Challenge that all new staff and all present staff transferred or promoted to a new job are to serve a trial period of ninety (90) days' duration. Upon successful completion of the trial period, employees will be considered regular, full-time employees with all rights and privileges consistent with this status.

A trial period may be extended for up to three additional months if the supervisor feels additional time is warranted in order to achieve satisfactory job performance. Unscheduled leaves are not included in the required trial period.

The trial period will be automatically extended by the number of days an employee is absent from scheduled work, regardless of cause.

Supervisors may recommend that a trial employee be discharged before the end of the trial period. Any recommendation for discharge should be submitted in writing to the Director of Human Resources for review, and should include an evaluation and listing of actions taken to assist the employee. Action to discharge must have prior approval of the Director of Human Resources. New employees discharged during or at the end of the trial period are not eligible for payment of accrued vacation time.

Transferred or promoted staff who are unable to perform satisfactorily on their new job during or at the end of their trial period may, at the discretion of management, be returned to their original job, or be considered for other vacancies in the organization. If a suitable position is unavailable, the employee may be discharged.

New employees are eligible for health, dental and life insurance on the first of the month following thirty days of employment. The waiting period for most other organizational benefits is ninety (90) days.

RESIGNATION, LAYOFF, DISCHARGE

Your employment with Challenge is “at-will” and entered into voluntarily. You are free to resign at any time, for any reason. Similarly, Challenge is free to conclude the employment relationship at any time. Employees may be separated from employment with Challenge for reasons such as, but not confined to the following:

Resignation:

Employees are expected to give written notice of their intent to resign in order to receive accrued vacation benefits. The following time frames are appropriate.

All professional, management, supervisors, and direct support employees are requested to provide at least four (4) weeks’ notice. All administrative support and hourly employees are requested to provide at least two (2) weeks’ notice. **Resignation without proper notice will result in forfeiture of accrued vacation benefits.** In unusual circumstances, the Executive Director or Director of Human Resources may waive these requirements.

In order to provide continuity of service to the people we serve during a transition period, it is requested that vacation or personal days not be used during, or instead of the four-week notification period.

Accrued sick leave of more than two days may not be used during, or instead of any days during the notification period. Additional hours taken will be deducted from remaining vacation, or the calculation of severance pay. Vacation time that has been used, but not earned will be deducted from the employee’s final paycheck.

Employees who are absent from work for three consecutive days without cause or notice to the organization will be considered as having voluntarily resigned.

Layoff:

All positions at Challenge can be subject to layoff due to economic or business changes. Certain positions are particularly subject to layoff related to the local academic calendar and may or may not be called to return to work. Individuals on a long-term layoff are not eligible to use benefit time during periods of layoff. Employees on temporary layoff must use accrued benefit time first prior to applying for unemployment and may retain health, dental and life insurance provided they continue to pay for their portion of the benefit. The layoff date will be determined as the day after the employee’s last day of work.

Discharge:

An individual's employment may be discharged in accordance to the progressive disciplinary policy.

Separation Pay

Pay for earned, unused vacation leave at the time of discharge will be added to the final paycheck for all staff members who have conformed with the separation policies of the organization, and have been employed beyond the trial period. However, Challenge reserves the right to pay or not to pay benefits to separating employees. Unused vacation leave will not be paid in excess of one (1) year's entitlement. Employees who leave Challenge are required to return keys, credit or telephone cards, and other property of Challenge. Any outstanding debts shall be paid by the employee before separation.

HOURS OF WORK

The normal workweek for most staff is Saturday through Friday, beginning and ending at midnight on Friday. The Challenge workweek consists of 37.5 hours for most positions. Staff are employed on the basis of the requirements of their respective positions, rather than on the basis of specific hours. The normal workday will consist of 7.5 consecutive hours of work with an unpaid meal period. Lunch is normally one-half hour and should be scheduled between 11:00 a.m. and 1:30 p.m. for individuals working during the day shift. In accordance with New York State Law, all staff working a six hour shift or more will receive a 30 minute unpaid meal period. The Agency reserves the right to adjust work hours for all employees to meet the business needs of our customers. The normal work hours are 8:00 a.m. - 4:00 p.m. Staff may schedule their workweek in order to best match the requirements of their job, with the approval of their Department Head. With adequate notice, your supervisor may alter your work schedule if the demands of your job necessitate such change.

PART TIME STAFF

Part time staff working twenty hours per week or more are entitled to benefits on a pro-rated basis. Part time staff working at least twenty (20) hours or more are eligible to participate in the Challenge health and dental insurance plan, Flexible Spending Accounts and the 403(b) plan. Life insurance is only available to those employees working more than thirty hours per week. Part time staff working less than twenty hours per week do not receive benefits.

TEMPORARY STAFF

Temporary staff may be full or part time with a period of employment of less than six (6) months per year. Long-term job contracts that Challenge enters into with an outside vendor that may employ temporary staff must not exceed 12 months. Temporary staff are entitled to statutory benefits only, which are short-term New York State disability and workers' compensation. Any exceptions to this policy must be pre-approved by the Director of Human Resources and the Executive Director.

PAY CHECKS

Paychecks are distributed bi-weekly (every other Friday), or on the last working day, prior to a holiday, if the holiday falls on a payroll Friday. If paycheck distribution occurs during a staff member's vacation, their paycheck may be issued in advance of the vacation, upon the staff member's request to the Finance Department. Payroll is calculated from 12:01 a.m. Saturday through midnight Friday.

WAGE AND SALARY ADMINISTRATION

A Wage and Salary Administration Program has been established to provide effective and equitable employee compensation. It has been designed to meet the needs of Challenge employees and the various programs within the organization. Challenge uses market information on an annual basis to determine equitable salaries for all staff. Salary increases are reviewed on the basis of additional responsibilities taken on by staff or market changes in compensation. The Challenge wage and salary administration program complies with all Federal and New York State wage and labor laws.

Authority for wage and salary determination rests with the Executive Director in consultation with the Director of Finance, and Director of Human Resources.

PERFORMANCE APPRAISALS

Each staff member's work performance is reviewed at the end of their trial period by their direct supervisor. After successful completion of the trial period, each employee will be reviewed on an annual basis. Interim reviews may be conducted as necessary. Annual Performance Reviews are shared with the employee and are contained in the employee's personnel file. Areas of evaluation will include, but not limited to the quality of work performed, job knowledge, initiative, communication and the ability to work within a team.

TUBERCULOSIS CONTROL PLAN

Challenge recognizes that Tuberculosis represents a significant health risk to consumers and staff. The Tuberculosis Control Plan is an effort to reduce this risk through education, prevention and screening.

New employees, volunteers and consumers of services are required to provide PPD or TB test results prior to beginning employment or services. The test must have been performed within the previous twelve (12) months prior to the individual's start date with Challenge. Results will be kept in the employee's medical file.

Individuals who travel to locations that have a high incidence of TB may be required to be retested.

BENEFITS

The following statutory benefits are provided to all employees:

Unemployment Insurance - Challenge is a covered employer under the New York State compensation law and makes contributions for this benefit on behalf of its employees. The organization pays the full cost of this insurance.

Short-Term Disability - Challenge provides income continuation as required by New York State Law for employees who are unable to work due to a non-job-related illness or injury. Employees are not eligible for N.Y.S. short-term disability unless they are absent from work for more than seven (7) calendar days. The first seven (7) days are not paid through disability insurance (waiting period). Available benefit time will be used to cover this waiting period. After the waiting period, disability insurance will pay fifty percent (50%) of the employee's weekly salary up to a maximum of \$340.00 per week. The balance of compensation will be taken from remaining sick, personal or vacation benefits. When Challenge benefits have been exhausted, the employee will receive disability salary directly from the provider for the remaining leave period (not to exceed 26 weeks). Challenge pays the full cost for this insurance. Employees who are absent for more than two (2) consecutive pay periods will be responsible for the health insurance premium co-payment.

Workers' Compensation - Challenge provides benefits to its employees under the Workers' Compensation Laws of New York State. Benefits cover employees for accidental injury or illness proven

to be job related. The policy reimburses employees for eligible medical expenses and replacement of lost wages within limits of New York State Law. The organization pays the full cost for this insurance.

Social Security - All employees participate in the Social Security system. Federal Law determines company and employee contributions. Employee contributions are handled through payroll deductions.

The following benefits are provided to all eligible employees:

Health Insurance - Challenge provides a health insurance option for all eligible employees. At the present time Challenge contributes a fixed amount per month toward health insurance coverage. Employees may elect dependent coverage. The employee pays the balance of the family premium through pre-tax payroll deductions. The specific provisions of the plan are available from the Human Resources Department. Coverage begins on the first of the month after 30 days of employment.

Life Insurance - After a thirty (30) day waiting period, all employees regularly working at least thirty (30) hours per week are eligible to participate in this plan. Term Life and Accidental Death and Dismemberment Insurance equal to 1.5 times annual earnings, up to a maximum benefit of \$100,000 is provided. The organization pays the full cost of this insurance for all employees. The specific provisions of the plan are available from the Human Resources Department.

Flexible Spending Accounts Plan - Flexible Spending Accounts are pre-tax employee dollars which can be used for qualified health or day care expenses for the employee and his/her dependents. Dollars are deducted from the employee's paycheck before taxes, and are paid back to the employee when qualified services are submitted. The specific provisions of this plan are available from the Human Resources Department.

403(b) Retirement Plan - All employees may voluntarily contribute to the plan through bi-weekly, pre-tax, payroll deductions. Employees may contribute from 1% to 20% of their own pre-tax salary into Mutual of America investments at any time. After 1 year plus 1000 hours of continuous employment, employees who are contributing to the plan will receive a dollar for dollar match of up to 5%.

Direct Deposit - Employees may elect to have their net pay or a portion of their pay deposited directly into a checking or savings account of participating financial institutions. Forms for this process are available in the Human Resources Department.

Extension of Health Insurance Coverage - COBRA - It is the policy of Challenge to comply with the requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The purpose of this law is to allow staff and their dependents to continue to participate in our basic health insurance plans upon separation of employment, or other qualifying events.

The Human Resources Department will inform staff members of their rights under this law. When a staff member leaves the organization, the Human Resources Department will notify the employee of the option to purchase continued health coverage for themselves and/or their dependents. Individuals will be given sixty (60) days in which to notify Challenge of their decision. Sixty (60) days will begin after the loss of coverage, or the day COBRA notice is sent to the individual. Retroactive premiums are due upon acceptance of COBRA. Payments must be received by the first of the month to continue insurance coverage. Individuals are encouraged to notify Challenge of COBRA conversion as soon as possible to provide consistent coverage.

BENEFIT TIME

It is the policy of Challenge to provide paid benefit time to all employees. It is important that all staff adhere to the policies listed below with good attendance and punctuality. Excessive absenteeism and tardiness have a negative effect on fellow staff, consumers and services. For further information, please refer to the Attendance & Punctuality Policy. As a guideline, the agency has determined that any of the following may be considered excessive absenteeism and subject to disciplinary action:

- a. Unexcused absences,
- b. Exceeding the number of paid absences provided,
- c. Any regular pattern of absences such as an unusual number of Fridays or Mondays off,
- d. Excessive breaks or tardiness.

Employees who are absent from work for three (3) consecutive days without notice to the agency will be considered as voluntarily resigned without notice and will lose any separation benefits. Challenge will mark the discharge in the employee file and notify the individual by mail. See No Call No Show policy for further details.

Various businesses of Challenge's may have different benefit time policies.

VACATION

Vacation benefits begin on the first day of employment and accrue each pay period. No vacation can be used during the first ninety (90) days of employment. Approval of vacation is at the discretion of the individual's Manager or Department Head. Vacation leave for administrative, managerial and salaried staff members will be earned at the rate of 2.88 hours per pay period for a total of ten (10) days per year. Vacation leave for production staff members will be earned at the rate of 1.44 hours per pay period for a total of five (5) days per year. Vacation time may be used in 1/2 hour increments with the proper prior notification and approval of the employee's direct Supervisor (Leave Request Form). * Regular part-time staff (working at least 20 hours per week) will accrue vacation leave in direct ratio to their regular hours of employment. All staff must successfully complete the trial period to use vacation benefits.

After two (2) years of continuous full time employment, all eligible employees will begin accruing an additional week of vacation at an accrual rate based on hours worked.

Additional vacation leave will be granted after five (5) years of employment at the rate of one (1) additional day for each subsequent year of service, up to a total of twenty (20) vacation days for administrative, managerial and salaried staff. Additional vacation leave will be granted after five (5) years of employment at the rate of one (1) additional day for each subsequent year of service, up to a total of fifteen (15) days for Production hourly staff.

Vacation will accumulate to a maximum of two years' worth of benefit time at any given time of the year. For instance, if an employee is eligible for two weeks of vacation per year, their maximum vacation balance will be four weeks and may be carried over into a new year.

Staff who leave the organization with proper notice will be paid out a maximum of one (1) years'-worth of **earned** vacation in their final paycheck. All professional and direct support rehabilitation employees are requested to provide at least four (4) weeks' notice. All administrative support and hourly employees are requested to provide at least two (2) weeks' notice.

SICK LEAVE

Sick leave for administrative, managerial and salaried staff members will be earned at the rate of 3.46 hours per pay period, for a total of twelve (12) days per year. Sick leave for hourly staff members will be earned at the rate of 1.73 hours per pay period, for a total of six (6) days per year. No sick leave can be used during the first ninety (90) days of employment. If a staff member is sick during the trial period, the time will be allowed without pay. Administrative, managerial and salaried staff members may accumulate

a total of up to one hundred (100) sick days, (750 hours). Production hourly staff members may accumulate a total of up to thirty (30) sick days, (225 hours). Sick leave will be displayed in hours on the employee paycheck and may be used in hourly increments as necessary with the proper notification to the Receptionist and/or direct Supervisor. *Regular part-time staff members will earn sick leave in direct proportion to their regular hours of employment based on their benefit category. **Staff will forfeit unused sick leave upon separation of employment.**

Sick leave may be used for the following:

- Sickness or injury of the employee,
- Family or Household member's illness, up to ten (10) days per year,
- Medical appointments.

All employees must complete a Leave Request Slip for a scheduled doctors' appointment, or call the main office when using sick time. If no notification is received by 8:30 a.m. on the day of work, the employee will not be paid for the day.

If a staff member has exhausted sick leave, any time off will be without pay and will be subject to disciplinary action.

A Doctor's certificate will be required after three (3) consecutive sick days or at the discretion of the Director of Human Resources.

PERSONAL LEAVE

Three (3) days of personal leave will be provided to all full time, regular staff per year and is accrued each pay period. No personal leave can be used during the first ninety (90) days of employment. Personal leave can be taken in hourly increments and must be approved by the appropriate supervisor. It is not necessary to give the specific purpose for which personal leave is being used. The integrity of the staff member will be respected. Earned Personal Leave will not be carried over from year to year. * Regular part-time staff will accrue personal leave in direct ratio to their regular hours of employment. All staff must successfully complete the trial period to use personal leave benefits. **Staff will forfeit unused personal leave upon separation of employment.**

BEREAVEMENT PAY

In the event of a death in the immediate family (spouse, domestic partner, child, mother, father, sister, brother, mother-in-law or father-in-law, grandchild, grandparent, or any other person who is a permanent member of the household) of a staff member, time off with pay, not to exceed three (3) days will be granted.

In the event of the death of an extended family member (aunt, uncle, cousin) one (1) day with pay will be granted for the purpose of attending services.

FAMILY AND MEDICAL LEAVE

It is the policy of Challenge to comply with the provisions of The Family and Medical Leave Act of 1993. The organization will grant up to twelve (12) weeks of family and medical leave (FML) during a twelve (12) month period to eligible employees for qualifying events. If an employee and spouse are employed within the organization, please see Human Resources for more information. Employees are eligible for FML if they have completed at least one (1) year of service immediately preceding the start of leave and have worked at least 1250 hours within the last year (PTO does not count toward the 1250 hours worked). The employee must give Challenge thirty (30) days advance notice of a leave request whenever situations permit. **Benefit time will be used toward FML FIRST, with the remainder of the leave unpaid, depending upon the benefit status of the employee(s).**

Challenge defines the twelve (12) month period as a rolling twelve months beginning with, and prior to the date FML begins.

Eligible employees are entitled to:

- Twelve workweeks of leave in a 12-month period for:
 - the birth of a child
 - to bond with the newborn child within one year of birth;
 - the placement with the employee of a child for adoption or foster care
 - to bond with the newly placed child within one year of placement;
 - to care for the employee's spouse, child, or parent who has a serious health condition;
 - a serious health condition that makes the employee unable to perform the essential functions of his or her job;
 - any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" **or**

- Twenty-six workweeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Challenge shall maintain an employee's health insurance coverage during FML at the same level and co-payment that was in effect prior to the FML. Contributions may be taken directly through payroll deduction if the employee continues his/her salary (by using benefit time) during FML. If the leave is unpaid, the employee will be responsible for any premiums to continue benefit coverage. Failure to pay premiums will jeopardize the employee's continuation of coverage.

Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it with equivalent pay, benefits, and other employment terms and conditions.

An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FML leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA. Employees may file a complaint with Challenge's Compliance Officer if an employee feels they are being treated unfairly regarding their FMLA rights, or any employee rights violation.

Employees and supervisors must contact the Human Resources department to determine eligibility. If eligible, HR will notify employees their rights, responsibilities, benefit time available and steps to follow while using FML. If not eligible, HR will provide a reason. For more detailed information, HR will provide the employees' guide to FMLA.

Employees do not have to share a medical diagnosis, but must provide enough information to Human Resources so it can determine if the leave qualifies for FMLA protection. Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform Human Resources if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Human Resources can require a certification or periodic recertification supporting the need for leave. If Human Resources determines that the certification is incomplete, written notice indicating what additional information is required will be provided.

NYS Short Term Disability is available as a supplemental income for employees who are utilizing FML for themselves; it cannot be used for family members. Benefit time will be used in addition to Short Term Disability income during FML.

FML will run concurrently with Workers' Compensation absences.

FML misuse, abuse or fraud will result in disciplinary up to and including termination.

PAID FAMILY LEAVE POLICY

Effective January 1, 2018, Challenge Workforce Solutions will provide paid leave (up to a certain percentage of your weekly wages) to eligible employees pursuant to New York's Paid Family Leave Benefits Law.

Eligibility

To be eligible, employees must: (i) regularly work 20 or more hours per week and be employed for at least 26 consecutive workweeks preceding the first full day family leave is taken; or (ii) regularly work less than 20 hours per week and be employed for at least 175 work days preceding the first full day leave is taken.

Permissible Purposes for Leave

Eligible employees will be entitled to paid time away from work (i) to care for a family member with a serious health condition, (ii) to bond with a child after birth or placement for adoption or foster care within the first 12 months after the birth or placement, or (iii) because of any qualifying exigency arising from the fact that an employee's spouse, domestic partner, child or parent is on active duty (or has been notified of an impending call or order to active duty) in the armed forces of the United States.

Notice of Need for Paid Family Leave

An employee must provide at least 30 days advance notice before leave is to begin if the qualifying reason for leave is foreseeable. When not foreseeable, the employee must provide notice as soon as practicable under the facts and circumstances and within the time prescribed by our usual and customary notice requirements. Failure to provide timely notice may result in leave being delayed or denied.

Certification

Eligible employees who wish to take paid leave must comply with applicable certification requirements any may be required to provide additional documentation (such as copies of military orders), as permitted by law.

Use of Other Leave and Interplay

To the extent permitted by law, employees may elect to charge all or part of their paid family leave time to unused vacation days and receive full pay. In such case, Challenge will seek reimbursement from the carrier out of any family leave benefits due prior to the carrier's payment of such family leave benefit to you.

Paid family leave will run concurrently with leave taken pursuant to the Family and Medical Leave Act (with the exception of leave taken due to the employee's own health condition).

Job and Benefits Protection

Leave taken under this policy is job protected. Thus, Challenge must generally restore an employee who returns from leave to the same or a comparable position. While on leave, employees will continue to receive existing health insurance coverage, provided that they continue to pay their share of health insurance premiums. You may lose coverage retroactively to the date an unpaid premium was due (upon proper notice from our carrier) if you fail to pay your portion of the premium in a timely fashion.

Limitations and Rules Related to Use of Paid Family Leave

Paid family leave may only be taken in full day increments, unless otherwise provided by law.

Disability leave and paid family leave may not be used at the same time. You will not be entitled to paid family leave if your family leave combined with disability benefits previously received exceeds 26 weeks during the same 52 consecutive calendar weeks.

Funding of Paid Family Leave Benefits

In accordance with state law, paid leave benefits are funded through payroll deductions at a prescribed amount from each eligible employee. Employees who are ineligible for paid family leave will be given the option of filing a waiver of benefits, exempting them from payroll deductions, as permitted by law.

Please see the Director of Human Resources if you have any questions about this benefit or how to apply. Refer to the actual plan document and summary plan description for additional information about this benefit. Those documents are controlling.

LEAVE OF ABSENCE

It is the policy of Challenge to grant employees a leave of absence under certain other circumstances. Except as stated below, employees will not receive compensation during a leave of absence. In the case of a leave of absence without compensation, benefits will cease at the end of the month in which the leave of absence begins. Eligible employees can continue health insurance payments on their own, as provided by COBRA law. Vacation, sick and personal time benefits will stop accruing immediately. Employees are eligible for a leave of absence if they have completed at least one (1) year of service. The duration of each leave of absence and the compensation received by the employee, if any, during the leave of absence shall be determined by the Executive Director and the Director of Human Resources. An authorized Leave Of Absence is not a guarantee of reinstatement. If conditions change, and in the judgment of the organization, it is not practical to keep the position open, an employee will be given consideration for other available positions. The following types of leaves shall be considered:

PERSONAL LEAVE - Individuals may request personal time for professional or personal business which cannot be accomplished during the employee's regular work schedule.

MILITARY LEAVE OF ABSENCE - As required by Federal Law, a military leave of absence will be granted if an employee enlists, is inducted, or is recalled to active duty in the armed forces of the United States for a period of not more than four years (plus any involuntary extension for not more than one year). Employees who perform and return from military service in the Armed Forces, the Military Reserves or the National Guard shall have and retain such rights with respect to reinstatement, seniority, vacation, layoffs, compensation, and length of service or pay increases provided by applicable federal or state law. Specific legal requirements are available in the Human Resources Department. See updated USERRA posting at www.dol.gov

If an employee has an obligation to fulfill two (2) weeks of active duty in the military reserves, Challenge will pay the full salary for the period involved, and the employee shall reimburse Challenge for the amount received for military pay.

Requests for a leave of absence or any extension of a leave of absence should be submitted in writing to the employee's Department Head and the Director of Human Resources thirty (30) days prior to commencement of the leave period or extension. The Director of Human Resources, in consultation with the Executive Director and Departmental Manager, will make the final decision concerning the request for leave.

Employees returning from a leave of absence will be reinstated to their same job or one of similar status and pay, provided Challenge's circumstances have not changed to the extent that it would be impossible or unreasonable to provide reinstatement. If the same job or one of similar status and position is not available, reinstatement may be deferred until a position is available, and the employee will be granted a preference in recall.

If any employee fails to return to work on the first working day following the conclusion of an approved leave of absence, the employee will be considered as having voluntarily resigned and will be discharged from employment.

A Leave of Absence will not be extended beyond a six (6) month period. Employees continue to accrue benefits while they are on a paid leave of absence.

HOLIDAYS

It is the policy of Challenge to designate and observe certain days each year as holidays. Eligible employees will be given a day off with pay for each holiday observed.

The following holidays will be observed*:

New Year's Day
Martin Luther King, Jr's Birthday
President's Day
Memorial Day
Independence Day
Labor Day

Thanksgiving Day
Day after Thanksgiving
Christmas Eve Day
Christmas Day
Discretionary Holidays as noted below
New Year's Eve Day

*Refer to the schedule of holidays and other organizational closings for the current year.

If a holiday falls on Saturday, the holiday will be taken on the preceding Friday. If a holiday falls on a Sunday, the holiday will be taken on the following Monday. If an employee is required to work on a holiday, the employee will be paid for the holiday plus any hours worked.

When Christmas and New Year's fall on the weekend, the Executive Director in consultation with the Senior Management will decide which dates will be observed. In addition, the Executive Director in consultation with the Senior Management Group may grant additional holidays during the period between Christmas and New Years' Day.

Temporary staff, staff on leave of absence, or staff on lay off are not eligible to receive holiday pay. Full-time staff are eligible to receive their regular rate of pay for each observed holiday. Holiday pay will be based on the 7.5 hour work day for a 37.50 work week and no more than a 8 hour work day based on a 40 hour work week. Part time staff are eligible to receive holiday pay only for holidays on which they would normally be scheduled to work, and only for their regularly scheduled number of hours.

To receive holiday pay, an eligible staff member must work, or have an approved absence, on the workdays immediately before and immediately after the day on which the holiday is observed.

ITHACA COLLEGE AND CORNELL HOLIDAY PAY SCHEDULE

Challenge appreciates that Ithaca College & Cornell staff are scheduled to work while the agency is closed. All supervisors and hourly staff will be paid holiday pay in addition to hours worked on a holiday, but will not receive Comp Time.

The Christmas holidays will be paid to all Ithaca College & Cornell Dishroom & Custodial staff as the last holiday of the year. Ithaca College & Cornell Dishroom & Custodial staff will be on temporary layoff on the day following the Christmas holiday and will not receive holiday pay for New Year's holidays. Ithaca College & Cornell staff who are on temporary layoff during January may file for unemployment benefits while out of work. Please notify the Unemployment Office that you will receive holiday pay for these dates so they will not credit the holiday dates toward your unemployment benefits.

Other holidays that IC staff will not be eligible for during temporary layoffs are:

Martin Luther King Day
Memorial Day
July 4th (unless scheduled to work)

JURY DUTY

If a staff member is called for jury duty that coincides with their regular work day, Challenge will pay the full salary for the period involved. The staff member must notify their immediate supervisor with a copy of the jury notice and complete a Leave Request Slip with the proper signatures to receive compensation for Jury Duty. The staff member shall reimburse Challenge for the amount received for jury duty, but not for the amount received for parking and mileage. A staff member who is excused from jury duty or relieved for the day is required to return to work.

NEWS MEDIA AND PRESS RELEASES

The Executive Director, Director of Development and Chairperson of the Board of Directors are the appointed spokespersons for Challenge. All inquiries from the news media or public should be referred to the Executive Director or Director of Development. A staff person may not respond to the media on behalf of or about Challenge without prior approval from the Director of Development or the Executive Director.

NEPOTISM

A staff members' immediate family will be considered for employment provided the applicant possesses all the qualifications for employment. An immediate family member may not be hired, however, if such employment would:

Create either a direct or indirect supervisor/subordinate relationship with a family member, or domestic partner, or;

Create either an actual conflict of interest, or the appearance of a conflict of interest.

These criteria will also be considered when assigning, transferring, or promoting a staff member. For purposes of this policy, "immediate family" includes: the staff members' spouse, domestic partner, brother, sister, parents, children, stepchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and any other member of the staff member's household. This also includes anyone who is in a personal relationship; defined as a relationship between individuals who have or have had a continuing relationship of a romantic or intimate nature.

Staff members who marry, become members of same household, or begin a personal relationship may continue employment as long as there is not:

A direct or indirect supervisor/subordinate relationship between such staff members, or;

An actual conflict of interest, or the appearance of a conflict of interest.

Should one of the above situations occur, management will attempt to find a suitable position within the organization to which one of the affected staff members may transfer. If accommodations are not feasible, the staff members will be permitted to determine which person will resign whenever possible.

Exceptions may be made for hiring of family members in a temporary position, for example during an academic break or to assist in a department while an open position is waiting to be filled. Prior to hiring, authorization from Human Resources must be given. Arrangements must be made for supervision to be provided by a non-family member.

EDUCATIONAL POLICY

It is the policy of Challenge to provide educational assistance to staff in accordance with the guidelines established below.

Employees are eligible for educational assistance after they have successfully completed their six (6) month probationary period. All course work requested for reimbursement must be approved in advance by the department head and the Director of Human Resources. Course work must be job-related or required for the completion of an approved degree program. Staff must submit a completed tuition reimbursement form to the Director of Human Resources prior to enrollment of each course. Forms may be obtained in the Human Resource Department.

Staff reimbursement for eligible educational assistance will be contingent upon a grade report of “C” or better. Challenge will reimburse tuition at 80%, up to \$500 per course with a maximum of \$1000 per calendar year. Reimbursement will be made after the coursework is completed and a final grade is received by the Human Resources Department.

All educational assistance requests are subject to the availability of funds through the budget as determined by the CFO and the Director of Human Resources. Fees, books, transportation, and other expenses associated with coursework are the staff member’s responsibility. Limited release time for course work during work hours may be possible and must be submitted and approved by the employee’s immediate supervisor and department head. Staff members are expected to responsibly complete their work and obligations to Challenge. Requests for exceptions to the education policy can be made to the Executive Director.

PROFESSIONAL ORGANIZATIONS, CONFERENCES AND DEVELOPMENT

Staff may be reimbursed for membership(s) in professional organizations, participation in conferences and development programs appropriate to their professional field. All expenses are subject to approval by the department head and the Director of Finance.

There are numerous trainings that employees are required to attend. Any missed mandatory training is subject to disciplinary action. See Progressive Disciplinary Policy.

CONFERENCE AND MEETING EXPENSES

Budgetary constraints and other practical considerations will determine the number and frequency of conference attendance. Staff attendance at professional conferences is encouraged.

Expenses must be approved in advance by the supervisor or department head, and the Director of Human Resources. Reasonable expenses associated with a conference or meeting will be reimbursed by the agency. Additional information in the area listed **TRAVEL**.

TRAVEL

Challenge will reimburse employees for reasonable and normal expenses incurred while traveling for company business, attending training sessions, seminars and conferences. It is the policy of the organization that staff travel performed in the course of conducting business must be approved in advance. Travel time for non-exempt staff will be considered working time and will be paid accordingly. Challenge maintains a tax-exempt status for expenses incurred during business. Tax exemptions should be claimed at all times. Tax exempt forms are included in the Business Travel Packet and are available in the Finance office. All travel will be reviewed and reimbursed according to the guidelines below.

All travel must be approved in advance by the staff member’s supervisor and department head. Staff should provide their supervisor with a copy of their itinerary before leaving on business travel.

All travel arrangements for training, transportation and accommodations will be made through the staff member’s supervisor. See Transportation Policy for information regarding vehicle usage.

Challenge may issue periodic bulletins specifying or restricting travel booking requirements. All staff must use the “Tax Exempt Status” when expenses are incurred. Under normal circumstances, staff members are to stay in, and eat at moderately priced establishments and exercise discretion when incurring travel expenses. Reimbursement for meals is based on the Government CONUS daily rates and varies by geographic area. Please see Human Resources or Finance for guidelines on travel reimbursement.

Any travel expenses deemed unreasonable will not be paid or reimbursed and are the staff member's personal responsibility. Alcohol is not covered within this policy and will not be reimbursed by Challenge.

Staff expenses for approved travel will be paid or reimbursed when properly documented by the staff member and approved by the supervisor. Original itemized, receipts attached to a completed Expense Report are required for reimbursement.

Staff members may obtain a cash advance for approved business travel by submitting a written check request to the CFO. Challenge credit cards must be requested in advance and their use must be pre-approved by the Departmental Manager. Cash advances and credit cards are available from the Finance Department.

Cash advances and credit cards are company property, and their use is not to be abused. All advances and charges must be properly documented and approved as outlined in the paragraphs above. Any fraudulent activities or abuse of Challenge funds or credit cards will be subject to disciplinary action, up to and including discharge.

AUTOMOBILE USAGE

It is the policy of Challenge to provide vehicles for business use, to allow staff to drive on company business, and to reimburse staff for the use of personal vehicles on company business according to the guidelines below. In an effort to control travel expenses, staff are encouraged to carpool whenever possible. Reimbursement will be provided for one (1) vehicle per four (4) staff, unless pre-approved by the Director of Finance or the Director of Human Resources.

Before approving a driver, the Human Resources Department will verify the existence of a valid driver's license, check the staff member's driving record, and make sure the staff member is eligible for coverage under the Challenge insurance policy. Staff members approved to drive on agency business are required to inform the Director of Human Resources of any changes that may affect either their legal or physical ability to drive, or their continued insurability. Additionally, all new employees whose position requires driving will receive an overview of each Challenge vehicle which will be performed by Challenge's main driver.

The Challenge insurance policy will cover staff members and passengers while they are using a Challenge vehicle for business. Staff using their personal vehicle for business must have their own auto insurance with recommended minimum liability limits of \$100K/\$300K or \$300K combined single limit. In the case of an accident in an employee's car, the driver's insurance policy will cover automobile damage and liability. The Challenge policy will come into effect after the driver's liability insurance coverage has been exhausted. Any injuries to staff or consumers during work time will be covered under the Challenge Worker's Compensation Insurance. For details or questions, contact the Director of Human Resources.

Staff members holding jobs that require regular driving for business must meet the driver approval standards of this policy as a condition of employment. Driver approval standards include a valid drivers' license, insurance as required to operate a vehicle in New York State and approval of the Challenge insurance company through Department of Motor Vehicle license checks. For all other jobs, driving is considered only an incidental function of the position. License checks through the Department of Motor Vehicle may be performed at any time by Challenge or the insurance company representing Challenge.

Staff members who drive a vehicle on agency business must also exercise due diligence to drive safely and must make sure that the vehicle meets legal standards for insurance and safety. Staff members are responsible for any driving infractions or fines as a result of their driving or parking in a no parking zone. In the event of an accident in Challenge vehicles or while using own vehicles for agency business, staff members will be required to take a defensive driving course at their own expense.

Staff members are not permitted to operate an agency vehicle, or a personal vehicle for agency business, when any physical or mental impairment causes the staff member to be unable to drive safely. This prohibition includes circumstances in which the staff member is temporarily unable to operate a vehicle safely or legally because of illness, medication, or intoxication.

Staff members must report any accident involving an agency vehicle or a personal vehicle used on agency business to their supervisor and the Director of Human Resources. Such reports must be made as soon as possible but no later than forty-eight (48) hours after the accident. Staff members are expected to cooperate fully with authorities in the event of an accident.

Time spent by non-exempt staff members (those subject to the wage and hour provisions of the Fair Labor Standards Act) to drive an agency or personal vehicle for agency business during working hours will be considered working time and will be paid accordingly.

Staff members who use their personal car for approved business purposes will receive mileage allowance based upon the current approved reimbursement rate (For current reimbursement rates please speak with someone in the Finance Department). This allowance is to compensate for the cost of gasoline, oil, depreciation, and insurance. In addition, staff members driving on agency business may claim reimbursement for parking fees and tolls incurred. Staff driving agency vehicles may charge or claim reimbursement for gasoline and other expenses directly incurred for business purposes. Receipts are required for reimbursement of expenses incurred while driving for agency purposes. Use of a Challenge vehicle must be pre-arranged through the Receptionist. Charges and claims for mileage allowance or for vehicle use, reimbursement must be properly documented, approved by the staff member's supervisor and submitted to the Finance Department for payment. **Mileage should accurately reflect where you went in chronological and geographical order. Please make your trips as efficient and cost effective as possible. Management has the right to deny mileage if it appears there is a discrepancy or misuse of this policy.**

Examples:

1. If an employee lives in Dryden and is starting their day job coaching in Dryden then the employee is not to document mileage from Dryden to Ithaca as they would be making that drive to work anyway.
2. If an employee lives in Freeville and is ending their day job coaching in Freeville then the employee is not to document their mileage from Challenge to Freeville as they would be making that drive home anyway.
3. If an employee is job coaching in Dryden and then has to job coach in Trumansburg and is ending their day in Trumansburg then the employee will only document mileage from Dryden to Ithaca; not from Dryden to Trumansburg.

PROBLEM RESOLUTION AND REFERRAL PROCEDURE

PROBLEM RESOLUTION - INFORMAL PROCEDURE

A staff member who is dissatisfied with work conditions or has unresolved issues with co-workers, should discuss the issue with their immediate supervisor, or the staff member involved. If the matter is not resolved, the employee should meet with their department head. If the issue cannot be resolved, the matter should be referred to the Director of Human Resources and the Executive Director. Performance evaluation is not subject to the formal problem and referral procedure.

PROBLEM RESOLUTION - FORMAL PROCEDURE

A problem is a statement by a staff member of violation or misinterpretation of these Human Resources Policies and Procedures. If a staff member believes that a violation of these Human Resources Policies and Procedures has occurred, the following steps must be taken within the time period provided.

Step 1 -The staff member will submit written explanation of the problem and a proposed remedy to his/her immediate supervisor within five (5) working days of the occurrence. The supervisor will review the problem, interview the involved parties to determine the relevant facts, and submit a written response within five (5) working days after receipt of the written problem to the staff member. The supervisor will immediately hold a conference with the staff member to explain the written response.

Step 2 - If the staff member is not satisfied with the results of the conference and the written response, the staff member will submit a copy of the documentation to the department head within three (3) working days of the receipt of the written answer. Within a period of five (5) working days thereafter, the department head will review the problem and the supervisor's answer; interview the involved parties to determine the relevant facts; and provide a written disposition of the problem to the staff member. The department head will hold a conference with the staff member explaining the reasons for the answer at the time the written answer is given to the staff member.

Step 3 - If the staff member is not satisfied with the results of Step 2, the staff member will then submit a copy of the written problem, the supervisor's answer, and the department head's answer to the Executive Director and the Director of Human Resources within three (3) working days of the receipt of the written information.

The Executive Director will review the problem and the written information submitted, hold a conference with the staff member and department head. The Executive Director will issue a written disposition within a period of five (5) working days.

The Executive Director has final authority in all cases.

The Chairperson of the Board and the Chairperson of the Human Resources Committee will be briefed on all cases that reach Step 3.

PERSONNEL FILES

Personnel files maintained at the agency contain a variety of documents pertaining to an individual's employment. Personnel files include information about placement, salary history, date of hire, evaluations, disciplinary actions, benefits, employee development, copies of correspondence, etc. All personnel files are property of Challenge and are confidential.

Requests for review of information must be submitted to the Director of Human Resources in writing, 24 hours prior to review. Approval of an employee request to review their personnel file is not required by law and will be granted at the discretion of the Director of Human Resources.

Information contained in an individual's personnel file is confidential. Compensation levels of Challenge personnel are confidential. Access to the files will be made only to the Executive Director, Director of Human Resources, Human Resources Associate and Departmental Manager.

Personnel files are to remain within Challenge at all times. All reasonable efforts will be made to assure the privacy and security of the personnel files.

DISCLOSURE OF INFORMATION

Challenge does not release or disclose personal information about individual applicants, staff, or former staff, unless the individual authorizes the disclosure in writing. However, requests for information must be released when issued by a court order or police authorities.

Challenge will provide reference information only with written authorization from the individual. If there is no authorization from the individual, Human Resources will supply the individual's job title and dates of hire.

EMPLOYEE ASSISTANCE PROGRAM

Challenge offers an Employee Assistance Plan (EAP). The benefit is provided for all staff that work at least twenty hours per week.

There is a clear relationship between a staff member's personal problems and the demands of the workplace. Distress in one's personal life can adversely affect work performance, relationships with co-workers, and other vital work place factors. Declining work performance often results in supervisory attention to the staff member, creating an increasingly uncomfortable cycle of tensions and pressures. The Employee Assistance Plan provides a range of services designed to identify and respond to problem areas that affect, or have the potential for affecting job performance. The plan provides individual and family counseling with referral services to staff and their dependents. The EAP also provides on-going training and consultation services to supervisory staff in the areas of problem assessment and counseling.

The main objective of an EAP is to provide a confidential resource, which can be used by employees and supervisors for support with personal or employment problems.

In specific situations of problematic performance, an employee may be referred to the EAP as a part of their corrective action plan. During this process, information about attendance will be shared with Challenge and EAP. All other information shared with the EAP counselor is completely confidential and will not be shared with Challenge.

Information regarding the EAP is available through the Human Resources Office.

SECURITY

Challenge's administrative office is open for business during the hours of 8:00 a.m. to 4:00 p.m. Challenge relies on staff and consumers to support the security policy for the safety of all who are in and out of the building. Keys for the building, offices, file cabinets, vehicles and other agency equipment will be issued to those whose duties require access. The Executive Director, Senior Management and other designated staff have access to all keys. Employees will be required to turn in keys when the nature of their job changes or when their employment ends.

Employees are not allowed to use agency equipment or vehicles for personal business. Violation of this policy will be subject to disciplinary action, up to and including discharge.

VISITORS

It is the agency policy to assure the safety of all individuals on the premises at all times. All visitors are required to check in at the front desk and sign the visitor registration book upon entering the building.

All visitors will be accompanied by a staff or consumer while in the building. Visitors must observe all agency rules while visiting. Any visitor who violates agency rules will be asked to leave the premises. Visitors are not allowed in the Production areas for any reason other than business. Visitors under the age of sixteen (16) are not allowed in any Production area. Any visitor who is not authorized to be in the building should be escorted to the front desk by a staff member.

Visitors are not allowed on the premises outside of normal working hours without prior management approval.

SMOKING

Challenge has adopted a no smoking policy. Smoking is prohibited throughout the premises and in all Challenge vehicles. Smoking outside must be within 25 feet of the building.

Challenge offers smoking cessation resources for staff and consumers. For information about smoking cessation programs, contact the Human Resources Department.

PERSONAL PROPERTY

It is the policy of Challenge to assist employees in safeguarding their personal property while at work.

Employees are expected to exercise reasonable care to safeguard personal items of value brought to work. Such items should never be left unattended or in plain view. Challenge does not assume responsibility for the loss or theft of personal belongings. Employees are advised not to carry unnecessary amounts of cash or other valuables when they come to work.

COMMUNICATIONS POLICY

Challenge telephones, mail, stationary, fax and computers are available during work hours for business use. The use of company communications for personal purposes should be minimized. The agency's name, address, phone number and email address should not be used for personal solicitation or other non-business use. For further information about computer use, refer to the Internet, Email and Computer Policy.

USING SOCIAL MEDIA AT WORK

Refrain from using social media while on work time or on equipment Challenge provides, unless it is work-related as authorized by your manager or consistent with the Company Equipment Policy. Do not use Challenge email addresses to register on social networks, blogs or other online tools utilized for personal use.

Managers and Supervisors should refrain from "Friending" or "Following" their subordinates and under no circumstances should employees connect with program participants through social media. Please see separate Social Media Policy for more details.

INCOMING MAIL PROCESSING

Challenge receives a large variety of mail on a daily basis. All mail received by Challenge is agency property and shall be treated as agency property. Confidential, personal mail should be sent to individual residences, not to Challenge. The following mail will be opened and date-stamped prior to distribution:

- 1) All incoming mail addressed to a member of the Management Team.
- 2) All incoming mail for the Finance Department, including invoices and checks. In the case of checks, they will be individually stamped with the "For Deposit Only" rubber stamp and the name of the payer, date and amount will be recorded in the loose-leaf book used for that purpose.
- 3) All incoming mail, addressed to Challenge that does not include the name of an individual member of staff in the outer envelope.

All other incoming mail that has the name of an incumbent staff member on the outer envelope will not be opened. The outer envelope will be date-stamped and the mail will be distributed to that individual. It is the responsibility of the recipient to retain the outer envelope or date stamp the correspondence, if the correspondence is time sensitive. It is also the responsibility of the recipient to distribute copies to other staff members, as necessary.

DRESS CODE

All employees represent the agency in their appearance and actions. Therefore, all employees are expected to dress in a manner that is acceptable in a work environment. Challenge has adopted a casual business dress code. Any clothing that exposes the midriff, bottom, full back, breasts, or undergarments such as short shorts, skirts, and pants with low cut waste lines; tops that are translucent, have a low cut neckline, halter-type, strapless, or with spaghetti straps; offensive logo t-shirts; and ripped pants are not acceptable work attire. Jeans are permitted on Fridays. Open-toe/heel shoes are neither permitted in the Contract Production and Shredding areas, nor at the dishrooms and Commercial Cleaning contracts. This list is not all-inclusive; Supervisors are responsible for enforcing the Challenge dress code.

All employees must dress appropriately and safely for their work area. Specific personal protective equipment or attire may be required depending on the employee's department and job responsibilities. The dress of all employees must be neat, clean and appropriate for the work being performed.

EQUAL EMPLOYMENT OPPORTUNITY

Challenge Workforce Solutions ("Challenge") provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran in accordance with applicable federal, state and local laws. Challenge complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

Challenge expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, gender identity, national origin, age, genetic information, disability or veteran status. Improper interference with the ability of Challenge employees to perform their expected job duties is absolutely not tolerated.

The Director of Human Resources is responsible for formulating, implementing, coordinating, and monitoring all efforts in the area of equal employment opportunity. The Director of Human Resources' duties may include, but are not necessarily limited to:

- A. Assisting management in collecting and analyzing employment data.
- B. Developing policy statements and recruitment techniques designed to promote and comply with the equal employment policies of the agency.
- C. Compliance with various statutory record keeping and notice requirements.
- D. Assisting supervisory personnel in arriving at solutions to specific personnel problems.
- E. Serving as liaison between Challenge and government agencies, minority and women's organizations, and other community groups.

- F. Keeping management informed of the latest requirements and developments in the equal employment opportunity area.

All information concerning equal employment opportunity matters will be referred to Director of Human Resources.

While overall authority for equal employment is assigned to the Director of Human Resources, an effective program cannot be achieved without the support of all staff.

ANTI-HARASSMENT POLICY AND COMPLAINT PROCEDURE

Challenge is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, Challenge expects that all relationships among persons in their respective area of work will be business-like and free of bias, prejudice and harassment.

It is the policy of Challenge to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. Challenge prohibits any such discrimination or harassment.

Challenge encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of Challenge to promptly and thoroughly investigate such reports. Challenge prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. See separate Sexual Harassment below.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to Challenge (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Complaint Process

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, Human Resources or any member of management.

When possible, Challenge encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and request that it be discontinued. Often this action alone will resolve the problem. Challenge recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

Challenge encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

If a party to a complaint does not agree with its resolution, that party may appeal to Challenge's Director of Human Resources or Executive Director.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

SEXUAL HARASSMENT

Challenge Workforce Solutions is committed to maintaining a workplace free from sexual harassment. Sexual harassment is a form of workplace discrimination. All employees are required to work in a manner that prevents sexual harassment in the workplace. This Policy is one component of Challenge's commitment to a discrimination-free work environment. Sexual harassment is against the law¹ and all employees have a legal right to a workplace free from sexual harassment and employees are urged to report sexual harassment by filing a complaint internally with Challenge. Employees can also file a complaint with a government agency or in court under federal, state or local antidiscrimination laws.

See separate Sexual Harassment document for further details.

1. Challenge's policy applies to all employees, applicants for employment, interns, whether paid or unpaid, contractors and persons conducting business, regardless of immigration status, with Challenge. In the remainder of this document, the term "employees" refers to this collective group.
2. Sexual harassment will not be tolerated. Any employee or individual covered by this policy who engages in sexual harassment or retaliation will be subject to remedial and/or disciplinary action (e.g., counseling, suspension, termination).

3. Retaliation Prohibition: No person covered by this Policy shall be subject to adverse action because the employee reports an incident of sexual harassment, provides information, or otherwise assists in any investigation of a sexual harassment complaint. Challenge will not tolerate such retaliation against anyone who, in good faith, reports or provides information about suspected sexual harassment. Any employee of Challenge who retaliates against anyone involved in a sexual harassment investigation will be subjected to disciplinary action, up to and including termination. All employees, paid or unpaid interns, or non-employees² working in the workplace who believe they have been subject to such retaliation should inform a supervisor, manager or the Director of Human Resources and Compliance. All employees, paid or unpaid interns or non-employees who believe that have been a target of such retaliation may also seek relieve in other available forums, as explained below in the section on Legal Protections.
4. Sexual harassment is offensive, is a violation of our policies, is unlawful, and may subject Challenge to liability for harm to targets of sexual harassment. Harassers may also be individually subject to liability. Employees of every level who engage in sexual harassment, including managers and supervisors who engage in sexual harassment or who allow such behavior to continue, will be penalized for such misconduct.
5. Challenge will conduct a prompt and thorough investigation that ensures due process for all parties, whenever management receives a complaint about sexual harassment, or otherwise knows of possible sexual harassment occurring. Challenge will keep the investigation confidential to the extent possible. Effective corrective action will be taken whenever sexual harassment is found to have occurred. All employees, including managers and supervisors, are required to cooperate with any internal investigation of sexual harassment.
6. All employees are encouraged to report any harassment or behaviors that violate this policy. Challenge will provide all employees a complaint form for employees to report harassment and file complaints.
7. Managers and supervisor are **required** to report any complaint that they receive, or any harassment that they observe or become aware of, to the Director of HR and Compliance.
8. This policy applies to all employees, paid or unpaid interns, and non-employees and all must follow and uphold this policy. This policy must be provided to all employees and should be posted prominently in all work locations, to the extent practicable, and be provided to employees upon hiring.
9. ALL employees and supervisors/managers are mandated to Sexual Harassment Prevention Training before 90 days of hired date and annually thereafter. Failure to attend mandated trainings is subject to disciplinary action. Please refer to the Progressive Disciplinary Policy.

¹ While this policy specifically addresses sexual harassment, harassment because of and discrimination against person of all protected classes is prohibited. In New York State, such classes include age, race, creed, color, national origin, sexual orientation, military status, sex, disability, marital status, domestic violence victim status, gender identity and criminal history.

² A non-employee is someone who is (or is employed by) a contractor, subcontractor, vendor, consultant, or anyone providing services in the workplace. Protected non-employees include persons commonly referred to as independent contractors, “gig” workers and temporary workers. Also included are persons providing equipment repair, cleaning services or any other services provided pursuant to a contract with the employer.

PROGRESSIVE DISCIPLINARY POLICY

The purpose of this policy is to state Challenge’s position on administering equitable and consistent discipline when conduct in the workplace is unsatisfactory. The best disciplinary measure is the one that

does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

Challenge's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with Challenge is based on mutual consent and both the employee and Challenge have the right to terminate employment at will, with or without cause or advance notice, Challenge may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps – verbal warning, written warning, suspension with or without pay, or termination of employment. The severity of the problem and the number of occurrences will be considerations in determining the level of discipline administered. There may be circumstances when one or more steps are bypassed.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment.

Challenge recognizes that there are certain employee problems that are serious enough to justify either a suspension or termination of employment without going through the usual progressive discipline steps. Or justify going directly to a written warning, particularly if the offense is something that is an obvious violation of policies and procedures.

By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and Challenge.

The seriousness of the case and the previous record of the employee will determine which type of disciplinary action is appropriate. When disciplinary action is being taken, the supervisor must be certain that the employee clearly understands the violation and consequences. The supervisor must provide follow up on all warnings within the period specified.

The Executive Director and Director of Human Resources are available for consultation with the supervisor or the employee at any stage of the disciplinary process. In cases involving a suspension or discharge, the supervisor will review the matter with the Director of Human Resources. The Executive Director and/or Director of Human Resources may meet with the employee before a final decision is made.

Under normal circumstances, the written record of disciplinary action may be removed from the employee's personnel file if no additional disciplinary actions have been recorded in the three (3) years following the incident.

If the employee objects to any disciplinary action, he/she should follow the problem solving procedure outlined in the Problem Resolution—Formal Procedure section.

HIPAA

Challenge complies fully with all Federal and State privacy protection laws and regulations. Violations of any policy and procedure provisions will result in severe disciplinary action, which may include termination and possible referral for criminal prosecution. Notice and information will be provided to all subject individuals, and all uses and disclosures of protected health information will be done in accordance with Challenge privacy policy and procedures.

Employee health information is “protected health information” and is subject to Federal and State privacy and protection laws and regulations. For further information, please refer to the “Challenge Privacy Policy Statement” or the “Challenge Notice of Privacy Practices”.

AMERICANS WITH DISABILITIES ACT (ADA) AND THE ADA AMENDMENTS ACT (ADAAA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of Challenge to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

Challenge will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to Challenge. Contact the Human Resource department with any questions or requests for accommodation.

POLICY REVIEW

In order to retain necessary flexibility in the administration of policies and procedures, the agency reserves the right to change, revise or delete the plans, policies, benefits and procedures described in this manual at any time. If at any time there is a change to the Human Resource Policies and Practices Manual, a copy of the change will be provided to each staff member. No agency representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, contrary to this policy.

