

ORCAS ISLAND HEALTH CARE DISTRICT

PERSONNEL POLICY

Section 1. Purpose.

This Personnel Policy is established by the Orcas Island Health Care District (“District”) to:

1. Provide a uniform system of personnel administration;
2. Support a fair and equitable process for recruitment, selection, placement, promotion, and separation of District employees in compliance with applicable State and Federal laws and regulations;
3. Publish certain responsibilities of District employees; and
4. Confirm certain rights of District employees.

The District reserves the right to modify, delete, or add to the provisions of this Personnel Policy as it deems appropriate from time to time in its sole discretion.

Section 2. General

2.1. Application. This policy applies to all District employees but does not apply to independent contractors providing services to the District, to any elected official, or to any person appointed to serve on any District committee or work group.

2.2. At Will Employment. Employees may leave the District for any reason without legal obligation. The District reserves the right to terminate employees for any reason. Nothing contained in this policy shall create a contract or quasi-contract of employment or establish any term of employment, nor be construed as a waiver of the relationship of “employment at will.”

2.3. Equal Employment Opportunity. The District is an equal opportunity employer. The District hires, employs, retains, promotes, terminates and otherwise treats all employees and job applicants on the basis of job-related qualifications and competence. This policy and all employment practices shall be applied without regard to any individual’s sex, race, color, religion, national origin, pregnancy, age, marital status, sexual orientation or gender expression, military or honorably discharged veteran status, disability, genetic information or other basis prohibited by law. All employment requirements mandated by State and Federal regulations will be observed. This policy of nondiscrimination will prevail throughout every aspect of the employment relationship, including recruitment, selection, compensation, promotion, termination, and dispute resolution.

2.4. Conflict of Interest. Employees are prohibited from conducting personal or commercial activities which create actual, potential, or perceivable conflicts with the business, operations or image of the District and are required to abide by the District’s Conflict of Interest policy adopted by the District’s Board of Commissioners, as amended from time to time.

2.5. Non-Disclosure. The protection of confidential information is vital to the interests, integrity, and success of the District; employees who improperly use or disclose such information will be subject to disciplinary action, up to and including termination of employment and legal action.

2.6. Compliance with District Policies. All employees are expected to comply with the policies of the District as adopted and amended from time to time.

2.7 Immigration Reform and Control Act. The District is committed to full compliance with the Federal immigration laws. Therefore, the District is required to verify the identity and legal ability to work of all individuals before they can begin work. In keeping with this obligation, each applicant must produce documentation that shows his or her identity and legal authority to work. Each applicant must also attest his or her identity and legal authority to work on an I-9 Form provided by the Federal government. This verification form will be distributed by the District and must be completed as soon as possible after an offer of employment is made. The form must be completed and returned to the District no more than three (3) business days after an individual is hired. All offers of hire and continued employment are conditioned on furnishing satisfactory evidence of identity and legal authority to work in the United States.

2.8 Americans with Disabilities Act. The Americans with Disabilities Act (“ADA”) is a comprehensive federal civil rights law that specifically protects individuals with physical and mental disabilities. Individuals are protected under the ADA if any of the following conditions exist:

- they currently have a physical or mental condition that substantially limits their ability to normally conduct a major life function (walking, seeing, hearing, breathing, etc.);
- they have a history of such impairment; and/or
- they are perceived to have such impairment.

The ADA also prohibits discrimination based on an individual’s relationship (parent, sibling, child, spouse/significant other, etc.) with someone who has a disability.

Reasonable accommodation(s) is/are available to employees and otherwise qualified applicants with known physical or mental disabilities if the accommodation(s) does not cause undue hardship on the District. Individuals protected by the ADA should discuss their need for possible accommodation(s) with the Superintendent or if the individual is the Superintendent, then with the President of the Board of Commissioners. The applicant or employee should advise the District on what accommodations he or she believes are needed in order to perform the job. The District will then determine possible accommodation(s), if any. If the accommodation(s) is reasonable and will not impose undue hardship upon the District, the District will make the accommodation(s).

The District also reserves its right to require an employee to undergo a fitness-for-duty medical examination, at the District's expense, if the District believes or suspects that the employee may not be able to perform the essential duties of the job without risk of harm to him or herself or others. In such an instance, the District will advise the employee, in writing, of the need for the examination. Depending on the situation, the District reserves the right to suspend employment pending the results of the examination.

Section 3. Hiring, Termination and Performance Evaluations.

3.1. Hiring Employees.

3.1.1. Position Openings. Position openings will normally be advertised in at least one local publication and on the District's website. Inquiries regarding possible openings and application forms for open positions can be obtained through the Superintendent or the President of the Board of Commissioners. Selection will generally be made on the basis of job knowledge, experience, quantity and quality of work, personal characteristics, work habits, attendance, and skills.

3.1.2. Background Checks. After the employer initially determines that the applicant is otherwise qualified for the position, the District will conduct a background check of a prospective new District employee. Every offer of employment is contingent upon the appropriate completion of a background check. The prospective new employee must furnish the District's Superintendent or the President of the District's Board of Commissioners with a signed release to complete the background check. The background check may consist of education verification, employment verification, reference checks and a criminal background check. The report generated from the background check is kept in a locked file cabinet in a separate file in the Superintendent's office.

3.2. Performance Evaluations.

3.2.1. Informal Evaluation. District employees are expected to discuss job performance and goals on an informal, day-to-day basis with the Superintendent, while the Superintendent is expected to discuss job performance and goals on an informal, day-to-day basis with the President of the Board of Commissioners.

3.2.2. Written Evaluations. Written performance evaluations are scheduled approximately every 12 months. Poor performance ratings on an evaluation must be accompanied by a plan for improvement and a date for re-evaluation.

3.2.2. Employee Review. An employee may request review of the results of his/her evaluation by requesting such review in writing to the Superintendent and the Superintendent may request review of the results of his/her evaluation by requesting such review in writing to the President of the Board of Commissioners. The request shall indicate those areas of the evaluation in which the employee disagrees, the basis for the disagreement and the requested remedy. The Superintendent or President of the Board, as applicable shall make the final decision on performance evaluation review.

3.2.3. Pay Adjustments. In connection with the annual written performance review, the District will consider whether a salary adjustment is appropriate to recognize superior job performance and to maintain wage equity. Any pay adjustments approved by the District shall take effect for the first pay period beginning after the date of approval of the adjustment or the date specified by the District.

Section 4. Employee Records.

4.1. Personnel Files. The District maintains a personnel file on each employee, which includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records. Personnel files are the property of the District and access to the information they contain is restricted. Generally, access to personnel files is restricted to the Superintendent and members of the District's Board of Commissioners. However, there are certain times when information may be given to persons outside of the District, including:

- In responses to subpoenas, court orders, or orders of administrative agencies;
- in a lawsuit in which you and/or the District are parties;
- to a health care provider; or
- otherwise as required by law.

Employees who wish to review their own file should contact the Superintendent; employees may review or obtain a copy of their own personnel files in the Superintendent office.

4.2. Reference Checks. Inquiries from outside the District regarding job reference checks of former employees, and employment verification checks of present employees, should be discussed with or referred to the Superintendent or the President of the Board of Commissioners prior to any response. The District provides basic employment data in response to those reference check inquiries. Responses to such inquiries will confirm only dates of employment, pay rates, and position(s) held. The District will provide pertinent employment and payroll information to authorized requests regarding current employees, i.e. mortgage companies and other financial institutions upon receiving a signed release from the employee.

4.3. Time Sheets. In compliance with Federal and state laws, the District will require non-exempt employees to accurately record the time they work each month. Overtime must always be approved in writing before it is performed. Altering or falsifying time records may result in disciplinary action up to and including termination of employment.

Section 5. Compensation.

5.1. Compensation Policy. The District's compensation policy is to pay fair and competitive wages. In setting an employee's compensation, the District will consider, among other factors, the employee's performance level and their contribution to the District's success.

5.2. Work Schedules. The District will establish work schedules and hours in accordance with the needs of the District, and the best interests of the District's employees. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. Non-exempt employees will be paid overtime at the rate of one and one half (1½) times an employee's regular rate of pay for hours worked over forty (40) hours in one work week, except as permitted by law. Overtime is based

solely on hours worked and must be approved in advance in writing by the Superintendent. Exempt employees will not be paid overtime.

5.3. Paydays. All employees are paid monthly on the 25th of each month, for all earnings for all work performed through the end of the previous month. If a regularly scheduled payday falls on a Saturday or Sunday, paychecks will be made available on Monday. If a regularly scheduled payday falls on a holiday, employees will be paid on the first day of work following the regularly scheduled payday. If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his or her return from vacation.

5.4. Pay Deductions and Garnishments.

5.4.1. Deductions. Washington and federal regulations require that the District make certain deductions from every employee's compensation, including for Social Security (FICA), Medicare, Federal income tax; State Disability Insurance (SDI), Paid Family Medical Leave, and WA Cares Fund.

5.4.2. Garnishment. The District is required by law to accept legal garnishments or liens attached to employee wages. Garnishments and liens require the District to withhold a portion of the employee's disposable earnings for the satisfaction of a debt and remit the withheld amount to the court or the Internal Revenue Service. If a garnishment or lien is received by the District, the employee will be notified.

5.5. Meal and Rest Periods. All non-exempt employees shall receive an unpaid meal period of thirty (30) minutes for every five (5) consecutive hours of work with the first meal period occurring between the hour two (2) and hour five (5) of their shift, unless both the employee and the District agree to waive the meal break period. All non-exempt employees shall receive a paid rest period of at least ten (10) minutes for every four (4) hours worked to be scheduled as close to the midpoint of a work period as possible, which cannot be waived. No non-exempt employee shall be required to work more than three (3) consecutive hours without a meal or rest period.

Section 6. Employee Benefits. Full-time and part-time employees are eligible for all listed benefits unless otherwise noted.

6.1. Health Insurance. The District pays 100% of the premium for medical insurance for full-time employees up to a maximum of \$1,000 per month and for part-time employees who are normally scheduled to work a 20-hour week.

6.2. Leave Program. It is the policy of the District that leave benefits be made available to eligible employees without jeopardizing the status of the employee or the normal workflow of the District. Unless otherwise specified, benefits continue to accrue during any paid leave, and do not accrue while on unpaid leave status.

6.2.1. Paid Sick Leave.

6.2.1.1. Accrual. Employees of the District accrue paid sick leave at the rate of 1 hour for every 40 hours worked. Paid sick leave does not accrue while an employee is taking leave of any nature, whether paid or unpaid.

6.2.1.2. Use. Beginning on the ninetieth (90th) calendar day of employment, an employee may use sick leave up to the amount of the employee's accrued and unused sick leave if:

1. The employee is unable to work due to physical or mental illness, injury or health condition or needs to seek medical diagnosis, care, or treatment of such an illness, injury or condition or to obtain preventative medical care;
2. The employee needs to care for the physical or mental injury, illness or health condition of their child, spouse, registered domestic partner, parent, parent-in-law, or grandparent, grandchild or sibling or such a family member needs to seek medical diagnosis, care, or treatment of such an illness, injury or condition or to obtain preventative medical care;
3. The District's office has been closed by a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason; or
4. The employee is seeking help for a domestic violence problem for themselves or a member of their immediate family.

6.2.1.3. Carry Over. Accrued but unused paid sick leave will carry over to the following calendar year to a maximum of 40 hours.

6.2.1.4. Payment. Employees will be paid their normal hourly compensation for each hour of paid leave used.

6.2.1.5. No Payment upon Separation. An employee shall not be entitled to any payment for accrued but unused sick leave hours upon resignation, separation, retirement, or other form of termination of employment.

6.2.2 Paid Family and Medical Leave. Washington Paid Family Medical Leave (PFML) is a state-run insurance program and is not administered by the District. Applications for PFML are submitted to the Employment Security Department (ESD).

6.2.2.1. Eligible Employees. Any employee who has worked a total of at least 820 hours for any Washington employer during the previous 12-months period may be eligible to receive monetary benefits under PFML.

6.2.2.2. Paid Family Leave. Eligible employees can receive up to 12 workweeks of paid family leave for:

1. Bonding after the birth of an employee’s child during the first twelve (12) months following the birth of the employee’s child or placement of a child under the age of 18 with an employee (through adoption or foster care);
2. Providing physical, psychological or other care for a serious health condition (as defined in RCW 50A.05.010(23)(a)) of an employee’s child, spouse, registered domestic partner, parent (including in-laws), grandparent (including in-laws), grandchild or sibling; or
3. A military leave qualifying under 29 CFR § 825.126

6.2.2.3. Paid Medical Leave. Eligible employees can receive up to 12 workweeks of paid medical leave to deal with the employee’s serious health condition (as defined in RCW 50A.05.010(23)(a)) except that an employee with a serious health condition connected to a pregnancy may receive up to 14 workweeks of paid medical leave. However, an employee is not eligible for PFML benefits if the employee is receiving time loss benefits under the workers compensation system.

6.2.2.4. Paid Medical and Family Leave. Eligible employees who take both Medical Leave and Family Leave in the same year can receive up to 16 workweeks of leave in a calendar year or 18 workweeks if the leaves are for a serious health condition linked to a pregnancy.

6.2.2.5. Workweek defined. A workweek is 40 hours for a full-time employee and the average number of hours worked by a part-time employee during all but the final quarter of the preceding 5 calendar quarters, or the last 4 calendar quarters if the employee has worked less than 5 calendar quarters.

6.2.2.6. Amount of Paid Benefit. The amount of an employee’s paid leave benefit is determined in accordance with RCW 50A.15.020 and funded through the Washington Family and Medical Leave Insurance Account held by the Washington State Treasurer.

6.2.2.7. Waiting Period. For all family and medical leave benefits, except for paid leave for the birth or placement of a child, there is a 7-day waiting period before benefits begin.

6.2.2.8. Obtaining Benefits. To obtain paid leave benefits, eligible employees must file a claim with the Washington State Employment Security Department.

6.2.3. Holiday Leave. Currently, the following holidays are recognized by the District as holidays for its employees working at least 20 hours a week for pay purposes. If any of the following holidays occur on an employee’s regularly scheduled workday, the employee shall have these days off with pay:

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| New Year’s Day | January 1 st |
| Martin Luther King Day | 3 rd Monday in January |
| Presidents’ Day | 3 rd Monday in February |
| Memorial Day | Last Monday in May |

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| Independence Day | July 4 th |
| Labor Day | 1 st Monday in September |
| Veterans' Day | November 11 th |
| Thanksgiving Day | 4 th Thursday in November |
| Native American Heritage Day | Friday following the 4 th Thursday in November |
| Christmas Day | December 25 th |

When a day recognized as a holiday falls on Sunday, the following Monday is observed as the holiday. When a day recognized as a holiday falls on Saturday, the preceding Friday is observed as the holiday.

6.2.4. Vacation Leave.

6.2.4.1. Eligibility. Full-time employees and part-time employees who have worked for the District for at least 90 days are eligible to use accrued vacation leave. Use of these accrued vacation hours are subject to approval by the Superintendent, or by the President of the Board for the Superintendent. An employee's vacation may not exceed the amount of vacation time the employee has accrued, except as provided below under Section 6.2.4.2.

6.2.4.2. Accrual. Vacation leave is accrued starting on the employee's first day of employment. Full time employees working at least forty (40) hours per week shall accrue 0.83 vacation days per month unless a different accrual rate is specified in the employee's offer letter. Part-time employees working at least 20 hours per week accrue vacation leave in proportion to the number of hours worked per week as a percentage of a 40-hour week (their "proportionate amount"), unless a different accrual rate is specified in the employee's offer letter. Employees working less than 20 hours a week do not accrue vacation leave.

Employees may take vacation leave in excess of their accrued and unused vacation leave amount; provided, however, (i) no employee may maintain a negative balance of vacation leave of more than ten (10) days and (ii) said employee shall agree in writing that, in the case of a separation of employment, the employee shall reimburse the District for any vacation leave used in excess of their accrued and unused leave and permit the District to withhold said payment from the employee's final paycheck.

Full-time employees will not be permitted to accrue more than 120 hours of unused vacation leave; part-time employees will not be permitted to accrue more than their proportionate amount of 120 hours of unused vacation leave. Unused vacation leave accrued in excess of 120 hours (or the proportionate amount of 120 hours for part-time employees) will be forfeited.

6.2.4.3. Use of Vacation. Accrued vacation must be used in increments of at least ½ day. The dates and length of time an employee uses accumulated vacation leave requires prior approval by the Superintendent, or by the President of the Board in

the case of the Superintendent. Employees are expected to plan as far in advance as is practical their request for and use of vacation time and communicate those requests to the Superintendent, or to the President of the Board in the case of the Superintendent.

6.2.4.4. Payment upon Separation. An employee will be paid upon resignation, separation or retirement for all vacation leave hours accrued but not used up to 120 hours (or the proportionate amount of 120 hours for part-time employees). Unused vacation leave hours accrued in excess of 120 hours (or the proportionate amount of 120 hours for part-time employees) will be forfeited.

6.2.5. Leave Without Pay. A leave of absence is a privilege, not a right. Leaves of absence, other than those that qualify under the Family and Medical Leave provisions of Section 6.2.2 above, may be granted without pay in cases of emergency and when a leave of absence would not be contrary to the best interests of the District. A leave of absence is granted only upon written request by an employee who presents the reason for the leave. Approval will be made in writing by the Superintendent or, in the case of the Superintendent, by the President of the Board. A leave of absence without pay may not exceed 2 consecutive months. Failure to return at the end of the agreed-upon length of leave may be considered abandonment of one's position and grounds for termination.

6.2.6. Jury Duty Leave. An employee required to report for jury duty during the employee's workday is granted leave with pay. The employee receives full pay from the District for the time served on the jury up to a maximum of 2 weeks and/or until released, whichever is less, provided the employee remits to the District all fees for jury duty as soon as the duty fees are received. Compensation for mileage when the employee uses his/her own vehicle will not be considered as fees and may be retained by the employee.

If an employee exceeds the 2-week period of paid jury duty leave, he/she may use accrued paid leave during any additional jury leave. If an employee is serving jury duty when he/she is off duty, using vacation or personal leave, or has exceeded the 2-week period of paid leave, the employee may retain all fees, mileage, and subsistence allowances. Before an employee can be granted leave with pay for jury duty, the employee must give the Superintendent, or the President of the Board in the case of the Superintendent, a copy of the summons to serve on a jury. In addition, the employee must present documentation from the court clerk showing evidence of jury duty pay and time served.

6.2.7. Domestic Violence Leave. If an employee or an employee's family member is a victim of domestic violence, the employee may be eligible to take reasonable, unpaid time off from work for one or more of the following reasons:

- to seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or a family member including, but not limited to, preparing for, or participating in any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault, or stalking;

- to seek treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault, or stalking, or to attend to health care treatment for a victim who is a family member;
- to obtain or assist a family member in obtaining services from a domestic violence shelter, rape crisis center, or other social services program for relief from domestic violence, sexual assault, or stalking;
- to obtain or assist a family member in obtaining mental health counseling related to an incident of domestic violence, sexual assault, or stalking in which the employee or family member was a victim of domestic violence, sexual assault, or stalking; or
- to participate in safety planning, temporarily or permanently relocate, or take other actions to increase personal safety or that of family members from future domestic violence, sexual assault, or stalking.

Employees may elect to use any sick leave or other paid time off for leave pursuant to this policy. Leave may take the form of reasonable unpaid leave from work, intermittent leave, or leave on a reduced leave schedule.

Employees wishing to take leave pursuant to this policy must give advance notice of their intention to take leave. When advance notice cannot be given because of an emergency or unforeseen circumstance due to domestic violence, sexual assault, or stalking, the employee or a designee must give notice no later than the end of the first day on which such leave is taken.

6.2.8 Employee Military Leave. If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

Section 7. Termination of Employment.

7.1. Resignation Process. An employee is encouraged to submit a written notice of resignation to the Superintendent at least 10 working days before the effective date of the resignation. The Superintendent may authorize the resignation of an employee with fewer than 10 days' notice if there are sufficient reasons to waive the requirements of this section.

7.2. Resignation Process for Superintendent. The Superintendent, to be considered as having resigned in good standing, must submit a written notice of resignation to the President of the Board

of Commissioners at least 30 calendar days before the effective date of the resignation. The President may authorize a resignation in good standing upon shorter notice for sufficient cause.

7.3. Separation Date. In order to minimize the District's liability, the separation date is the last workday of an employee's employment. Accumulated leave may not be used to extend the effective date of termination.

7.4. Retirement. All full-time and part-time employees who retire under the provisions of any present or subsequent retirement policy or plan are treated as having been separated from District service in good standing on the date their retirement becomes effective.

7.5. Termination by the District. An employee may be terminated by the District with or without cause and with or without advance notice. Terminations shall be effective immediately unless otherwise agreed.

7.6. Exit Interview. The District will, whenever possible, schedule an exit interview between the departing employee, the Superintendent and at least one member of the Board of Commissioners. Suggestions, complaints, and questions can be voiced in the exit interview.

7.7. Final Paycheck. Employees will receive their final pay in accordance with applicable Washington law, less any setoffs or deductions applicable.

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