



EMPLOYEE HANDBOOK

Approved by:

John Lawson, Chairman, Fort Monroe Authority Board of Trustees

G. Glenn Oder, Executive Director, Fort Monroe Authority

EFFECTIVE DATE: August 1, 2012 as Revised July 1, 2014

Table of Contents

SECTION 1 - OUR PERSONNEL PHILOSOPHY	1
SECTION 2 - AN IMPORTANT WORD ABOUT THIS HANDBOOK	3
SECTION 3 - QUICK REFERENCE TO KEY WEBSITES	5
SECTION 4 - ADMINISTRATIVE POLICIES	7
SECTION 5 - EMPLOYEE CONDUCT.....	11
SECTION 6 - SALARY AND BENEFITS.....	15
SECTION 7 - LEAVE	19
SECTION 8 - FISCAL CONTROL POLICIES.....	21
APPENDIX I - SHORT-TERM DISABILITY BENEFITS.....	23
APPENDIX II – LONG-TERM DISABILITY BENEFITS.....	25
APPENDIX III - DEFERRED COMPENSATION and CASH MATCH PLAN.....	27
APPENDIX IV – SEVERANCE BENEFITS.....	29
APPENDIX V - ANNUAL LEAVE.....	31
APPENDIX VI - SICK LEAVE AND FAMILY/PERSONAL LEAVE.....	33
APPENDIX VII - OTHER LEAVE.....	35
APPENDIX VIII - ACKNOWLEDGEMENT	37

SECTION 1 - OUR PERSONNEL PHILOSOPHY

The Fort Monroe Authority's ("FMA") success in executing its mission depends, first and foremost, on its employees. It is the objective of the FMA to hire individuals who are the most qualified by virtue of their job-related education, training, and experience and personal commitment to excellence. Further, the FMA strives to:

- Establish appropriate objectives or standards for each position within the organization
- Periodically review the performance of all members of the FMA staff to inform them of their status to provide continuous guidance to help them progress in their jobs
- Provide opportunities for professional growth
- Maintain a comprehensive salary and benefits program
- Provide work-related training, education and staff-development opportunities
- Promote open two-way communication among all members of the staff

The FMA'S personnel policies are established by the Board of Trustees (the "Board"), and implemented and interpreted by the Executive Director of FMA (the "Executive Director"). The Board is a legally constituted body whose members are appointed in accordance with the provisions of Virginia Code § 2.2-2338.

In accordance with the provisions of Virginia Code § 2.2-2336 "Employees of the Fort Monroe Authority shall be eligible for membership in the Virginia Retirement System and all of the health and related insurance and other benefits, including premium conversion and flexible benefits, available to state employees as provided by law."

SECTION 2 - AN IMPORTANT WORD ABOUT THIS HANDBOOK

This handbook sets forth basic conditions of service and policies relating to employment and personnel administration at the FMA. It contains general statements of the FMA policy and should not be read as including the fine details of each policy.

Nothing in the employee handbook is deemed to be, or constitutes, a contract of employment or promise that the policies discussed in it will be applied in all cases. Your employment with the FMA is “at-will” and can be terminated by either you or the FMA with or without cause at any time.

The Board reserves the right to revise (by addition, reduction, correction, deletion or upgrading) all or any part of the policies in this employee handbook at its sole discretion.

Any employment agreement or commitment that predates this handbook, or any change to this handbook, will not be adversely affected by the adoption of this handbook or such revised terms.

SECTION 3 - QUICK REFERENCE TO KEY WEBSITES

Anthem BCBS

www.anthem.com/cova

Commonwealth of VA Deferred Compensation Plan

www.varetire.org

COVA Health Aware

www.COVAHealthAware.com

COVA Knowledge Center Log in

<https://covkc.virginia.gov/kc/login/>

Delta Dental

www.deltadentalva.com

Department of Human Resource Management (“DHRM”) home page

<http://www.dhrm.virginia.gov>

DHRM

Office of HealthBenefits

www.dhrm.virginia.gov

Fringe Benefits Management Company

www.myFBMC.com

Minnesota Life

<https://web1.lifebenefits.com/lb/home.htm>

Paychex Eservices

<https://eservices.paychex.com/secure/default.aspx>

Paychex Flexible Spending

<https://benefits.paychex.com/cgi-bin>

Virginia Credit Union

www.vacu.org

Virginia Retirement System

www.varetire.org

SECTION 4 - ADMINISTRATIVE POLICIES

4.1 EMPLOYMENT ELIGIBILITY

At the time of your employment, employees will be required to present the FMA with information establishing their identity and their eligibility to work in the United States in accordance with applicable federal and state laws, including, for example, The Immigration Reform and Control Act of 1986. All employees are required to complete and sign a Form I-9 within three (3) days of the commencement of employment with the FMA. In addition, employees must sign the form in Section VI indicating their receipt of the Employee Handbook and acknowledging certain rights and responsibilities of employment with the FMA.

The Executive Director may modify this form as needed. As modifications to the form or Employee Handbook are made, employees are responsible for submitting an updated copy of the Acknowledgement Form to the FMA Human Resources Manager (the “Human Resources Manager” or the “HR Manager”) for their employee file.

4.2 HOURS OF OPERATION

The FMA has adopted an 8:30 am to 5:00 pm business day and a standard 40-hour work-week. Normal hours for Full-Time Employees will coincide with the 8:30 am to 5:00 pm business day, with a thirty-minute lunch period. With the consent of their supervisor, employees may shift their work schedules thirty (30) minutes earlier or later than these standard hours. The Executive Director may vary work schedules as the need arises. The Executive Director may allow alternative work schedules and telecommuting at his/her discretion.

4.3 EMPLOYEE CLASSIFICATIONS

“Full-Time Employees” are those employees who worked more than 1,664 hours in the previous 12-month period or who are expected to work more than 32 hours per week for the next 12-month period.

“Part-Time Employees” are those employees who worked more than 1,040 hours but less than 1,664 hours in the previous 12-month period or who are expected to work more than 20 hours but less than 32 hours per week for the next 12-month period. “Wage Employees” are those employees who worked less than 1,040 hours in the previous 12-month period or who are expected to work less than 20 hours per week for the next 12 month period. Wage employees are not eligible to receive the benefits for FMA employees. However, they are entitled to the following:

- leave without pay for family and medical reasons in accordance with the Family and Medical Leave Act (FMLA);
- Workers’ Compensation benefits, and
- Leave without pay for military service. When a wage employee returns from active military service, reemployment will be granted under the terms provided in the United Services Employment and Reemployment Rights Act (USERRA).

4.4 EXEMPT AND NON-EXEMPT POSITIONS

Pursuant to the Fair Labor Standards Act (“FLSA”), exempt positions are not entitled to receive overtime pay. To be considered an exempt position, the employee must be paid more than \$23,660 per year, paid on a salary basis, and perform exempt duties. The FMA will make a determination of whether an employee is exempt or non-exempt on a case-by-case basis pursuant to the FLSA.

4.5 OVERTIME FOR NON-EXEMPT EMPLOYEES

Overtime work may be required from time to time. Non-exempt employees who work more than forty (40) hours in a work-week (excluding holidays, annual leave or any paid leave time) are entitled to overtime compensation at a rate of one and one-half times the employee’s regular rate of pay. Employees must always obtain the approval of their immediate supervisor before working overtime hours. Overtime must be recorded on the employee’s time sheets.

4.6 COMPENSATORY TIME FOR EXEMPT EMPLOYEES

Exempt employees who are required to work more than forty (40) hours in a week or on holidays or days off pursuant to an approved alternative work schedule, may be granted compensatory leave at a rate of one hour leave per hour of compensatory time worked. Employees must receive the approval of their immediate supervisor before working compensatory time hours. Compensatory hours must be recorded as earned or used on employee’s time sheet. A maximum of 24 hours may be carried over each quarter, regardless of when the compensatory time was earned. Unused compensatory time does not qualify for severance pay or payment for accrued benefits in the event of the death of the employee.

4.6 INCLEMENT WEATHER

If, in the discretion of the Executive Director or his/her designee, travel to or from work is (or is likely to become) difficult, hazardous, or impossible, the workday may be modified or canceled and employees may be excused for late arrival, early departure or absence without penalty. The decision to close the office due to weather will be communicated in accordance with an inclement weather and/or emergency communications policy to be established by the Human Resources Manager with the approval of the Executive Director. Employees who do not report for work when the offices are open will be deemed absent and will not be paid for the period during which the offices were open unless those hours are charged to annual leave or personal leave.

4.7 OPEN DOOR POLICY

If you have problems or complaints arising from conditions of your employment, talk them over first with your supervisor. If your problem or complaint is not resolved to your satisfaction, you may wish to discuss the issue with the Human Resources Manager or the Executive Director. In the event you would like to have a formal decision issued by the Executive Director, you should state your grievance in writing. If your issue is with the Executive Director, please contact the Chairman of FMA Board of Trustees (the “Chairman”).

4.8 RESIGNATION AND TERMINATION

Employment of the FMA employees is at-will. Thus, an employee may terminate their employment at any time with appropriate prior notice. Likewise, the FMA may dismiss an employee with or without

cause at any time. As a requirement of employment with the FMA, all Full-Time Employees will sign a "Letter of Engagement," which will include the appropriate amount of notice required for termination or resignation without cause.

Unless specified in the Letter of Engagement, all employees are required to give at least two (2) weeks written notice of their intent to resign, excluding the planned use of any leave time.

Termination with cause will be at the discretion of the Executive Director and may be with or without prior notice.

Payroll checks for personnel who resign or who are terminated by the FMA will be made available on the next regularly scheduled payday following the last day of employment. This final check will include any "cash out" of annual leave balances owed the employee. Any "cash out" of annual leave balances is not deemed creditable or non-creditable compensation for purposes of any retirement benefit, whether the FMA's deferred compensation plan, the Virginia Retirement System ("VRS"), or otherwise. Further, any unauthorized, disapproved, undocumented, unsupported or unsubstantiated charges to the FMA's credit card or other monies owed the FMA shall be deducted from such final check as reimbursement to the FMA and in the sole discretion of the FMA.

4.9 TRAINING AND PROFESSIONAL DEVELOPMENT

It is the FMA's objective to provide employee training in support of the FMA's goals. This training shall be available without regard to race, color, national origin, religion, sexual orientation, age, political affiliation, veteran status or disability according to the Governor's Executive Order on Equal Opportunity and state and federal laws. Staff members are primarily responsible for taking the lead in identifying training and professional development opportunities that will improve their effectiveness at work and/or prepare them for assuming additional responsibilities. Supervisors should also identify the training needs of their direct reports within the performance evaluation process. Generally, the FMA will sponsor employees who seek outside training and professional development if also desired or required by the FMA, subject to budgetary limitations and provided that there is mutual advantage to the employee and to the FMA.

4.10 TUITION REIMBURSEMENT POLICY

The FMA may reimburse tuition for Full-Time employees pursuing an approved academic course or courses – whether or not associated or required toward a degree program – provided the class or studies relate to the employee's current or expected staff position or career progression and benefit the FMA. Such determination is made in the sole discretion by the employee's department Director and the Deputy Executive Director, with final authority the sole discretion of the Executive Director.

Employees interested in taking a course or coursework will submit their requests to their supervisor department Director in advance of enrollment in the course if the employee plans to request reimbursement. Any reimbursement is subject to sufficient funds in the budget, as determined by the Deputy Director of Finance of FMA ~~(the "Deputy Director of Finance")~~. Approval must also be granted by the Deputy Executive Director with final approval must be granted by the Executive Director. If a course is subsidized by another source (e.g. scholarship, grant-in-aids, veteran's educational payments), tuition payment under this policy is limited to those costs not covered by any other source or sources.

Information on tuition reimbursement is available through the Human Resources Manager. A copy of the completed request must be provided to Human Resources to retain in the employee's personnel file.

~~The FMA will reimburse up to the equivalent of one (3 credit) class per semester. The limit for reimbursement during the fiscal year will be equivalent to 9 credit hours multiplied by at the then-prevailing rate of Christopher Newport University – Off Campus, In-State, part-time rate, undergraduate or graduate rate as applicable. -~~

Employees must acknowledge that they are voluntarily enrolling in the course and that their coursework, study and class time will not interfere with normal FMA job duties and responsibilities. The FMA will reimburse the employee upon successful completion of the course. Successful completion of the course is defined as having achieved a grade of "B" or better and receipt of proper documentation.

When the FMA provides assistance for employee-requested educational courses, it may require the employee to sign a multi-year agreement to serve for a stated amount of time following their degree award or course completion. If an employee does not abide by the terms of any such agreement, the FMA retains the right to require the employees to repay any reimbursement amounts. This may include the employee forfeiting any or all leave payout amounts upon termination for cause or resignation from the FMA.

4.11 PARTICIPATION IN PROFESSIONAL ASSOCIATIONS

The FMA encourages and will sponsor organizational memberships in national and other organizations and societies whose membership programs and areas of interest are consistent with the FMA's programs and public purpose. Where appropriate and not duplicative, the FMA will also sponsor individual memberships for exempt employees in such organizations, subject to budgetary limitations. Determinations of purpose and budgetary considerations shall be made by the Executive Director.

4.12 SECURITY AND EMERGENCY EVACUATION PROCEDURES

All employees of the FMA must be familiar with the security and evacuation procedures provided by the Human Resources Manager. Employees are reminded to never leave valuable items unsecured. Cash, stamps, etc. should never be kept in an unlocked drawer. Any theft should be reported to the Human Resources Manager.

Door keys are to be protected and are not to be shared among employees, contractors or other third parties. If keys are lost, an employee is required to notify the FMA immediately of such loss and is responsible for the replacement cost of such items.

SECTION 5 - EMPLOYEE CONDUCT

5.1 EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of the FMA to provide equal opportunity in employment to all qualified employees and applicants for employment without regard to race, color, religion, sex, age, national origin, sexual orientation, disability, political affiliation, or veteran status. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

The Executive Director is responsible for the appointment, assignment, and dismissal of staff members.

5.2 HARASSMENT/ABUSE POLICY AND COMPLAINT PROCEDURE

Please see the FMA Harassment Policy provided in Section 1 – FMA-HR-001. All FMA employees are required to review this policy and sign an acknowledgement form.

In addition, every employee will be required to complete the Commonwealth of Virginia’s Department of Human Resource Management “Preventing Workplace Harassment” training course. Please see the Human Resources Manager for enrollment.

5.3 STANDARDS OF CONDUCT

Employees of the FMA are expected to accept certain responsibilities, adhere to acceptable principles in matters of personal conduct, and exhibit a high degree of professionalism and personal integrity. This demands that employees refrain from any behavior that might be harmful to the individual, co-workers and/or the FMA, or that might be viewed unfavorably by the public at large while on or off duty. Employee conduct reflects the FMA character and values. Employees are encouraged to observe the highest standards of professionalism at all times.

Personnel are expected to work in a cooperative, collegiate atmosphere and show respect and courtesy to colleagues at all times. Should disputes or grievances arise between employees, parties are encouraged to avoid airing such issues publicly but rather should address their grievances privately with their colleagues by engaging in constructive discussions. When an employee grievance cannot be resolved between the parties, the employee’s supervisor or the Executive Director will mediate.

Types of behavior and conduct that the FMA considers inappropriate include, but are not limited to, the following:

- Violating the FMA’s non-discrimination, abuse and/or harassment policy
- Abusive language or threatening gestures
- Committing an act which adversely affects the safety of personnel
- Abuse of lunch periods
- Falsifying an employment application or any time, payroll or benefits record

- Excessive tardiness and/or early departures
- Excessive absenteeism
- Unauthorized or abusive use of the FMA telephones or electronic resources
- Disorderly conduct on the FMA premises
- Possession of firearms, weapons or explosives on the FMA property
- Possession, distribution or use of any controlled substances on the FMA premises except pursuant to a physician's orders
- Reporting to work while under the influence of alcohol or any controlled substance except pursuant to a physician's orders
- Dishonesty
- Release of confidential information
- Negligent damage to FMA property or property of other employees
- Unauthorized personal use of any of the FMA's property or resources
- Insubordination
- Refusal to perform or inadequate performance of assigned work
- Making any false claims of personal injury or illness
- Violation of the State and Local Conflict of Interests Act or any other statute relating to job responsibilities
- Such other conduct which the FMA may deem inappropriate, contrary to the best interests of FMA, and/or in violation of federal, state, and/or local laws

All employees are expected to comply with the FMA's standards of conduct. Noncompliance with these standards will subject an employee to disciplinary action up to and including termination.

5.4 PERSONAL APPEARANCE

Personnel are expected at all times to present a professional, business-like image to customers, prospects and the public. Favorable personal appearance is an ongoing requirement of employment. Radical departures from conventional dress or personal grooming and hygiene standards are not permitted. Because FMA offices are open to the general public, employees are expected to dress in a manner that is normally acceptable in similar business establishments.

On days designated by the Executive Director, business casual dress will be acceptable for employees. Normal business dress will remain mandatory for any employee representing the FMA with clients or advisors in person, whether in or outside the office, unless casual attire is the norm in that outside location (such as a training session or conference).

Business casual dress is slightly more relaxed than normal business dress, but nonetheless connotes a conscientious work environment. It includes collared shirts (with no tie or jacket), golf shirts, slacks, casual dresses and capri pants, loafers, flats and dress sandals for women, and leather deck shoes for men. Specifically disallowed clothing includes suggestive attire, jeans, shorts, T-shirts, sweatshirts, tank tops, any tops or dresses exposing bare shoulders (unless worn under a blouse or jacket), tops with exposed midriffs, warm-up suits, mini-skirts, "skorts", leggings, and baseball caps.

5.5 SMOKING

The FMA has chosen to be a smoke-free environment. Smokers are to be considerate of the right of non-smokers to a pollution-free working environment. If you feel that you must smoke, reserve this activity for short breaks on your own time in designated areas.

5.6 SUBSTANCE ABUSE

All FMA employees are required to review the FMA Drug and Alcohol Policy in the FMA Policies and Procedures Section 2 –FMA-HR-002 and sign an acknowledgement form.

5.7 CONFIDENTIALITY

During performance of assigned duties employees may handle or have access to information of a confidential nature that should be used only in the performance of assigned duties. Employees must not pass on such information to others nor use it for personal gain or benefit. Employees should not discuss any official business or information of a confidential nature when away from the employee's place of employment. Employees who violate this policy are subject to disciplinary action up to and including termination and may be subject to legal action.

5.8 CONFLICT OF INTEREST

The FMA staff is not to engage in any activity, practice or act which conflicts with, or appears to conflict with, the interests of the FMA and/or the Virginia State and Local Government Conflict of Interests Act, Va. Code § 2.1-3100 et seq., as amended, or other applicable statutes. Staff members are expected to represent the FMA in a positive and ethical manner and have an obligation both to avoid conflicts of interest and to refer questions and concerns about potential conflicts to their supervisors. Staff is not to engage in, directly or indirectly, either on or off the job, any conduct which is in competition with, disloyal, disruptive or damaging to the FMA. Staff and their immediate families are not to accept gifts, except those of nominal value, or any special discounts or loans from any person or firm doing or seeking to do business with the FMA. The meaning of gifts for purposes of this policy includes the acceptance of lavish entertaining and free long-distance travel and lodging.

Further, all employees should familiarize themselves with the State and Local Conflict of Interests Act, which establishes the standards of ethical conduct for employees of state government and political subdivisions.

Every employee will be required to complete the Commonwealth of Virginia's Department of Human Resource Management "Virginia State and Local Conflict of Interests Act" training course. Please see the Human Resources Manager for enrollment.

5.9 ELECTRONIC MAIL, TELECOMMUNICATIONS AND THE INTERNET

Please see the FMA Use of the Internet and Electronic Communications Systems Policy provided in FMA-HR-003. All FMA employees are required to review this policy and sign an acknowledgement form.

5.10 EXTERNAL EMPLOYMENT AND AFFILIATIONS

Employees shall not accept employment with or perform any service for any outside entity, whether as an employee, director, officer or partner, or engage in self-employment, unless first approved in writing by the Executive Director.

Requests for approval of outside employment may be favorably considered if the outside activity does not conflict with or adversely affect the staff member's duties at the FMA.

Employees are encouraged to participate in the community service affairs of charitable, educational, religious, fraternal and civic organizations. However, employee participation in community activities must not adversely affect the employee's job performance, be detrimental to the FMA's interests or place the employee in the position of serving conflicting interests. Time dedicated to community affairs should normally be outside of the employee's regular working hours and, therefore, will not be considered hours of work for pay purposes. Time will be provided for employees to participate on any panel or project appointed by the Governor or approved by the Executive Director.

5.11 PUBLIC RELATIONS

The FMA staff members treat their customers and the public in a courteous and respectful manner at all times. All staff members have an obligation to represent the FMA in a positive fashion and to make people feel as comfortable as possible in their dealings with the FMA.

SECTION 6 - SALARY AND BENEFITS

6.1 SALARY ADMINISTRATION

The objectives of the FMA's salary administration program are: (1) to attract, motivate, and retain a highly competent staff; (2) to compensate employees according to the value of their job relative to all others in the organization; and (3) to reward individual employee performance. These objectives are accomplished through the use of:

- Formal job evaluation system
- Competitive salary structure and salary increase program based on performance
- Formal employee performance evaluations

Performance evaluation serves as a cornerstone of the FMA's salary administration program as well as the basis of any employee development effort. It provides employees as well as management the opportunity to develop a better understanding of what is expected and what is achieved. Each staff member will receive an annual formal performance appraisal, which will be completed by the employee's immediate supervisor, subject to the review and approval of the next level of supervision. The timing of the evaluation normally coincides with the FMA's merit increase process. The annual evaluation, however, does not preclude continuous evaluation and feedback of employee job performance throughout the year.

In addition to salary increases and individual performance-based awards, Full-Time Employees may be eligible to receive nonrecurring bonuses based on the achievement of certain of the FMA performance goals designated by the Board. In addition, only current employees who have been employed by the FMA for a minimum of ninety (90) days will be eligible to receive the FMA performance bonuses. Any employee who has tendered their resignation or who has rated as "fails to meet all critical expectations" in the immediately preceding performance evaluation cycle, including any written interim evaluations, is ineligible to receive the FMA performance bonuses.

Total salary increases may not exceed ten percent (10%) of the current compensation unless approved by the Executive Director, or the Executive Committee of the Board, or the Board itself, in the event the increase is for the Executive Director.

6.2 BENEFITS

Employee compensation at the FMA consists not only of salary but also the value of various benefit programs offered to employees. Full-Time and Part-Time Employees of the FMA qualify for benefit programs offered by the FMA. This section of the handbook highlights some features of these programs.

The terms of coverage of the FMA's benefits programs are more fully described in summary plan description booklets, which the Human Resources Manager will provide to employees who are eligible to participate in these programs. Complete descriptions of the FMA's benefits programs can be found in the master insurance contracts or master plan documents with insurance carriers. If information in this

handbook and the summary plan descriptions contradicts information in these master contracts or master plan documents, the master contracts/documents shall govern all cases.

6.3 HEALTH INSURANCE

For Full-Time Employees, the FMA pays for a percentage of the employee and dependent costs of coverage under its Preferred Provider Organization (“PPO”). Part-Time Employees are eligible for health insurance; however the Part-Time Employee must pay 100% of the premium. Please contact the Human Resources Manager for additional information.

6.4 GROUP LIFE INSURANCE

The FMA currently provides Full-Time Employees with group life insurance coverage through the Virginia Retirement System (“VRS”). Details of this coverage are available through the VRS website and in the VRS handbook provided to each employee. Optional life insurance is also available for you to purchase.

6.5 SHORT-TERM DISABILITY BENEFITS

The FMA provides short-term disability coverage in accordance with Commonwealth of Virginia’s Department of Human Resource Management Policies and Procedures. Refer to Appendix I.

6.6 LONG-TERM DISABILITY BENEFITS

The FMA provides long-term disability coverage in accordance with Commonwealth of Virginia’s guidelines. Refer to Appendix II.

6.7 RETIREMENT PLAN

The FMA is a member of the Virginia Retirement System (“VRS”). Full-Time Employees become eligible for membership upon joining the FMA.

New employees will receive a booklet explaining the VRS and its operations from the Human Resources Manager.

6.8 NON-VRS CREDITABLE COMPENSATION

Non-VRS creditable compensation is determined by the VRS. The Human Resources Manager will explain this program.

6.9 DEFERRED COMPENSATION AND CASH MATCH PLAN

In coordination with the above, the FMA offers a deferred compensation plan to Full-Time Employees. The Commonwealth of Virginia 457 Deferred Compensation Plan (“457 Plan”) is a tax-deferred

retirement savings plan established under Internal Revenue Code Section 457(b) and Chapter Six of Title 51.1 of the Code of Virginia. Refer to Appendix III.

6.10 SEVERANCE BENEFITS

Full-Time Employees of the FMA may be eligible to receive severance benefits as detailed in Appendix IV.

6.11 VIRGINIA CREDIT UNION

The FMA employees are eligible for participation in the Virginia Credit Union (“VACU”). VACU provides personal financial services, offers competitive programs for checking and savings accounts, online banking, debit and credit cards, and numerous loan options including car loans, mortgage loans, and home equity lines of credit. Visit www.vacu.org or see the Human Resources Manager for details.

SECTION 7 - LEAVE

7.1 HOLIDAYS

Effective July 1, 2009, Full-Time Employees of the FMA receive twelve (12) paid holidays each year as follows:

- New Year's Day
- Martin Luther King, Jr. Day
- Lee-Jackson Day
- George Washington Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans Day
- Thanksgiving Day (and the Friday following)
- Christmas Day

If approved by their supervisors, compensatory time may be provided to employees who work on holidays that fall during critical business periods. If the Governor grants additional holiday leave, the FMA will participate.

Employees will be compensated up to 8 hours for each day of holiday leave. Employees on Short Term Disability (STD) or Long Term Disability (LTD) may use holiday leave to supplement their income replacement not to exceed 8 hours per day. Part-Time Employees with six (6) months or more of service will receive holiday pay in proportion to number of hours worked in the preceding six-month period compared to a 40-hour workweek.

7.2 ANNUAL LEAVE

FMA employees will accrue annual leave in accordance with the FMA's policies as detailed in Appendix V.

7.3 SICK LEAVE and FAMILY/PERSONAL LEAVE

Sick leave is not an employee right. It is to be used only for personal illness or injury, medical and dental appointments or to care for a member of the employee's immediate family permanently residing in the employee's home or who otherwise may be claimed as a dependent.

FMA employees will receive sick leave in accordance with the FMA's sick leave policies as detailed in Appendix VI.

7.4 OTHER LEAVE

FMA employees may be eligible for other types of leave in accordance with the FMA's guidelines as detailed in Appendix VII.

SECTION 8 - FISCAL CONTROL POLICIES

8.1 BUSINESS TRAVEL

All FMA sponsored travel shall be in accordance with FMA Policies and Procedures FMA-F-001, Travel.

8.2 FMA-SPONSORED CREDIT CARDS

At the sole discretion of the Executive Director, the FMA may issue credit or debit cards to provide staff with a safe and convenient means for paying business related expenses. Credit/Debit card holders are required to abide by FMA Policies and Procedures FMA-F-002, Fiscal Control (to be developed).

8.3 AUTHORIZATION TO PURCHASE GOODS AND SERVICES

Procurement of goods and services shall be in accordance with FMA Policies and Procedures FMA-P-001, Procurement.

8.4 OFFICE PROPERTY

Office furnishings and property should remain in the FMA's offices unless required for the conduct of the FMA business. The FMA equipment including laptop computer, projector, and digital camera may be checked-out by staff according to procedures established by the Executive Director. Those items must be secured in their designated storage locations within the office.

Employees may check out FMA equipment for business-related travel or business-related overnight or weekend use only. Upon the employee's return to the office, he/she should return the equipment. Staff members must never leave the equipment at home.

The equipment checkout should be scheduled in advance using the electronic calendaring program. When there are scheduling conflicts, priority will be given (in this order) to the following: 1) FMA calls on customers; 2) in-office use for a presentation; 3) other FMA-related travel; 4) FMA-related business use at home.

8.5 ISSUANCE OF ELECTRONIC DEVICES

When business needs demand immediate access to an employee, the FMA may issue a business cell phone, laptop, iPad or other electronic device to an employee for work-related communications.

Employees in possession of company equipment such as cell phones or other electronic devices are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee will be asked to produce the company equipment for return or inspection. A signed receipt for these devices will be maintained in the Finance office.

8.6 TIMESHEETS

The FMA employees complete timesheets to document hours worked, leave taken, and compensatory time. Employees should complete their timesheets and forward them to their supervisor within one (1) business day following the close of the payroll period. Once reviewed and approved by their supervisor, the timesheets will then be forwarded to the Finance Office for entry into the payroll system.

APPENDIX I - SHORT-TERM DISABILITY BENEFITS

The FMA currently provides Short-Term Disability (“STD”) coverage for any Full-Time Employee who must be absent from work for seven (7) or more consecutive business days due to illness or injury which prevents the employee from performing the full duties of their job. Coverage will begin only after a seven (7) day waiting period (except for catastrophic injury or major chronic illness) and when the employee provides a doctor’s certification indicating the condition necessitating his/her extended absence from work and the projected date of return to work. The Executive Director may, at his/her discretion, require subsequent doctor’s certifications, access to your medical records or submission to an examination by a physician designated by the FMA as a condition for the provision or continued provision of STD benefits.

In addition, the employee is entitled to receive the employee benefits described in Section 6 but is not entitled to additional accruals of leave of any kind, except as noted in the paragraph below.

Employees may apply accrued sick leave, annual leave, compensatory time or personal days in one-half day increments in order to receive full pay not to exceed 100% during the STD period. Leave continues to accrue for ninety (90) consecutive calendar days while employees are on STD.

During any one (1) consecutive absence due to prolonged illness or injury, STD benefits will begin on the 7th work day of absence, and will terminate upon the earliest occurrence of the following: 1) the employee returns to work, 2) the employee has received STD benefits for a total of 125 work days, or 3) the employee becomes eligible for long-term disability benefits.

If the employee was hired or rehired in a VSDP-covered position on or after July 1, 2009 the employee will become eligible for non-work related short term disability coverage after one year of continuous employment. Employees may purchase an individual policy for a non-work related disability in the first year of employment. Please see the Human Resources Manager for more information.

Employees Hired or Rehired On or After July 1, 2009			
Days of Income Replacement - <u>Non-work Related</u> Short-Term Disability			
Months of Service	Work Days @ 100% Income Replacement	Work Days @ 80% Income Replacement	Work Days @ 60% Income Replacement
0-12	0	0	0
13-59	0	0	125
60 to 119	25	25	75
120 – 179	25	50	50
180 or more	25	75	25

Employees Hired or Rehired On or After July 1, 2009			
Days of Income Replacement – <u>Work Related Short-Term Disability</u>			
Months of Service	Work Days @ 100% Income Replacement	Work Days @ 80% Income Replacement	Work Days @ 60% Income Replacement
Less than 60	0	0	125
60 to 119	85	25	15
120 – or more	85	40	0

Employees Hired Before July 1, 2009			
Days of Income Replacement - <u>Non-work Related Short-Term Disability</u>			
Months of Service	Work Days @ 100% Income Replacement	Work Days @ 80% Income Replacement	Work Days @ 60% Income Replacement
Less than 60	5	20	100
60 to 119	25	25	75
120 – 179	25	50	50
180 or more	25	75	25

Employees Hired Before July 1, 2009			
Days of Income Replacement – <u>Work Related Short-Term Disability</u>			
Months of Service	Work Days @ 100% Income Replacement	Work Days @ 80% Income Replacement	Work Days @ 60% Income Replacement
Less than 60	65	25	35
60 to 119	85	25	15
120 – or more	85	40	0

APPENDIX II – LONG-TERM DISABILITY BENEFITS

Long-term Disability (“LTD”) benefits begin at the conclusion of a seven (7) calendar day waiting period (except for catastrophic or major chronic) and 125 workdays of receipt of a STD benefit. Full-Time Employees approved for LTD receive income replacement of sixty percent (60%) of their pre-disability income, including any salary increases applied during STD. If the disability is designated as catastrophic, employees receive income replacement of eighty percent (80%) of their pre-disability income, including any salary increases applied during STD.

Employees hired or rehired on or after July 1, 2009 are eligible for non-work related disability coverage begins after one year of continuous employment. Eligibility for work related disability coverage is effective from the first day of employment. Employees hired before July 1, 2009 become eligible for non-work related and work related disability coverage upon employment.

Return to employees’ pre-disability positions are not guaranteed after beginning LTD and the FMA can recruit and fill their pre-disability position. Please see the Human Resources Manager for more information of this benefit program.

APPENDIX III - DEFERRED COMPENSATION and CASH MATCH PLAN

In coordination with the above, the FMA offers a deferred compensation plan to Full-Time Employees. The Commonwealth of Virginia 457 Deferred Compensation Plan (the "Plan") is a tax-deferred retirement savings plan established under Internal Revenue Code Section 457(b) and Chapter Six of Title 51.1 of the Code of Virginia. The Plan enables employees to contribute up to the annual limit, or 100% of includible compensation, whichever is less. Includible compensation is all compensation except that used to purchase VRS defined benefit plan service on a tax deferred basis. The annual limit for 2009 is \$16,500. Employees must contribute a minimum of ten dollars (\$10) per pay period. Employees age fifty (50) or older may contribute an additional \$5,500 for a total of \$22,000. Employees are nearing retirement may also be eligible for the Standard Catch-Up, which might allow you to contribute up to \$33,000 in 2009. The amount contributed accumulates tax-deferred until the Plan amounts are distributed, generally after retirement.

Participants in the 457 Plan also may be eligible for the Virginia Cash Match Plan. Currently, the FMA will match employee contributions to the Plan at a rate of 50 percent (50%), up to ten dollars (\$10) per semi-monthly pay period, through the Virginia Cash Match Plan. FMA matching contributions are subject to availability of matching funds in the Commonwealth and/or FMA budget.

Details of the deferred compensation plan are available from the Human Resources Manager.

APPENDIX IV – SEVERANCE BENEFITS

A Full-Time employee with at least one (1) year of service is eligible for severance benefits in the event that the employee loses his/her position involuntarily, for reasons other than job performance, misconduct, health, disability or death.

The amount of severance payment received by an eligible employee is based on the employee's years of continuous qualifying service.

Eligible employees receive severance payments in accordance with the FMA's payroll schedules.

For the purpose of determining the severance payment, partial years of service are rounded up to the next highest year. For example, if an employee has nine (9) years and five (5) months of service at the time of layoff, it will be considered ten (10) years of service for the severance payment calculation.

The maximum severance payment to which an employee may be entitled is 36 weeks of salary.

Years of Service	Amount of Benefit
2 years or less	4 weeks salary*
3 years through 9 years	4 weeks salary plus an additional week for every year over 2
10 years through 14 years	12 weeks salary plus 2 additional weeks for every year over 9
15 years or more	2 weeks salary per year not to exceed 36 weeks of salary

*For the calculation, the employee's weekly salary is determined by dividing his or her annual salary by fifty-two (52).

The severance payment will be made in one (1) lump sum and the payment will be treated as non-VRS creditable compensation. However, eligible members of the VRS over age fifty (50) and vested may elect to use the total value of these severance benefits to have the Commonwealth purchase years to be credited for retirement purposes toward either the employee's:

- age, or
- creditable service, or
- divided between age and creditable service.

Once the retirement credit is added, the member must be at least age fifty-five (55) with five (5) or more years of service or at least fifty (50) with ten (10) or more years of service and retire on an immediate annuity.

EXCEPTION: Any employee eligible for unreduced retirement must have credits added to service and not age.

The cost of each year of age or creditable service purchased shall be equal to fifteen percent (15%) of the employee's present annual salary. The number of years of age or creditable service to be purchased

shall be equal to the amount obtained by dividing the cash value of the severance payments and the life and health insurance benefits for which the employee would be eligible by the cost of each year of age or creditable service.

Employees eligible for severance benefits are not eligible to receive medical or dental insurance coverage nor are they eligible to participate at their own expense in the FMA's insurance plans. They will, however, be eligible for any individual bonus or the FMA performance bonus they would otherwise be entitled to receive that are declared within thirty (30) days of their involuntary separation from the FMA. The Executive Director, with the approval of the Board, may establish an alternative severance policy.

Part-Time employees are not eligible for severance benefits.

APPENDIX V - ANNUAL LEAVE

Annual leave is accrued each pay period according to the schedule below. On July 10th of each year, Full-Time Employees will be credited the amount listed in the schedule. Full-Time Employees who are hired during the year will receive a prorated share of annual leave to which they are eligible. Full-Time Employees hired between July 10th and January 9th will receive one-half (50%) of the annual leave hours listed in the schedule below based on years of service. Full-Time Employees hired between January 10th and July 9th will receive one-quarter (25%) of the annual leave hours listed in the schedule below based on years of service.

Upon resignation, retirement, permanent disability or other termination of employment, Full-Time Employees will be paid for accrued, unused annual leave, provided that the employee has supplied proper and timely notice to the FMA of such action. No leave will be paid to Full-Time Employees who terminate with less than six (6) months' service, fail to provide two (2) weeks notice or fail to provide the notice required in their Letter of Engagement. For the purpose of calculating unused annual leave, any unearned leave for the current year will be deducted from the leave balance. No retirement or other benefits are calculated or accrued on any sums paid for leave balances. The maximum annual carryover balance and the maximum payment of unused leave will increase based on years of service. The amounts are listed in the table below.

Part-time Employees with at least six (6) months service may accrue annual leave at a rate proportionate to the numbers of hours worked, based on total years of service, in proportion to number of hours worked in the preceding six-month period compared to a 40-hour workweek.

All periods of salaried state service count in setting the annual leave accrual rate for Full-Time Employees.

Employees should notify the entire staff of planned leave through the electronic calendar. The Finance department will track all leave taken by the FMA employees.

Annual Leave for Full-Time Employees				
Years of Service	Pay Period Accrual Rate	Annual Leave Hours	Maximum Carryover	Maximum Payment
under 5 years	4 hours	96 hours (12 days)	96 hours (12 days)	96 hours (12 days)
5-9 years	5 hours	120 hours (15 days)	120 hours (15 days)	120 hours (15 days)
10-14 years	6 hours	144 hours (18 days)	144 hours (18 days)	144 hours (18 days)
15-19 years	7 hours	168 hours (21 days)	168 hours (21 days)	168 hours (21 days)
20-24 years	8 hours	192 hours (24 days)	192 hours (24 days)	192 hours (24 days)
25 years or more	9 hours	216 hours (27 days)	216 hours (27 days)	216 hours (27 days)

APPENDIX VI - SICK LEAVE AND FAMILY/PERSONAL LEAVE

Employees may use up to thirty-three percent (33%) of their sick leave for family illnesses/injuries that qualify under the Family and Medical Leave Act. Exceptions may be granted by the Executive Director. Employees are encouraged to schedule medical and dental appointments, whenever possible, early or late in the day or during the lunch hour to minimize time away from the office.

As an incentive to do so, Full-Time Employees are permitted to exclude from sick leave one (1) medical or dental appointment per pay period, provided the appointment causes the employee to be absent from the office for no more than two (2) hours. In order to qualify for this two hour exclusion the employee must be on duty in the office either prior to or after the appointment. All other medical or dental appointments must reflect the total number of hours taken.

Full-Time Employees receive sixty-four (64) hours of sick leave on January 10 each year. Employees who are hired during the year will receive a prorated share of sick leave to which they are eligible. Employees hired between January 10th and July 9th will receive sixty-four (64) hours of sick leave. Employees hired between July 10th and January 9th will receive forty (40) hours of sick leave. Any excess from the previous years will be forfeited as of each January 10th. Sick leave of more than four (4) consecutive days requires a doctor's certificate.

The accrual rate for sick leave for Part-Time Employees with at least six (6) months service is proportionate to the numbers of hours worked in the preceding six-month period compared to a 40-hour workweek. Because the purpose of sick leave is to protect the employee against loss of pay should illness or injury prevent the employee from working, it is not paid out upon termination of employment.

In addition to sick leave, Full-Time Employees are credited with family and personal leave on January 10 of each year. As with sick leave, the amount of leave is prorated in the first year based on hire date. Employees hired between January 10 and July 9 receive thirty-two (32) hours of family and personal leave, those hired between July 10 and January 9 receive sixteen (16) hours. Employees may use family and personal leave for absences due to personal and family reasons and for personal illnesses or injuries, with the approval of a supervisor. Family and personal leave can also be used to supplement income during periods of disability. Family and personal leave does not carry forward to a new calendar year and the employee is not paid for unused leave upon termination.

APPENDIX VII - OTHER LEAVE

FMA employees may be eligible for other types of leave in accordance with the Commonwealth's guidelines including but not limited to:

Civil and Work Related Leave, Educational Leave, Emergency/Disaster Leave, Leave Sharing, Leave to Provide Community Service, or Leave to Donate Bone Marrow or Organs.

There are no accruals of time for the following types of leave.

A. Jury Duty. Paid civil leave is granted to an employee called for jury duty, to appear in court as a witness, or to sit on a court-appointed commission required in a condemnation proceeding. Employees using civil leave may not retain payment for services rendered as juror, witness, or officer of election. Those who choose to retain such payments must charge the absence to personal leave.

Times spent in court either as the plaintiff or the defendant, however, may not be charged to civil leave. Employees must notify their supervisors at least one (1) week prior to taking civil leave.

B. Military Duty. The FMA provides paid and unpaid military leave for employees. Employees must submit copies of military orders to their supervisor as soon as it is practicable.

The employees listed below shall be granted up to fifteen (15) workdays of paid military leave. A workday shall mean 1/260 of the total working hours an employee is scheduled to work during the entire federal fiscal year.

- Current members of the armed services, including members of the reserve forces of any of the United States' armed services, who are called to:
 - participate in federally-funded military training duty or
 - report for a tour of active federally-funded duty
- Former members of the armed services who are called to report for active duty
- Members of the Commonwealth's militia who are engaged in training duty or state active duty approved by the Governor or his designee
- Members of the National Defense Executive Reserve who are senior executives called to service with the federal government or engaged in training approved by the Governor or his designee

Employees do not lose seniority or accrued leave balances when taking these 15 days of military leave with pay.

Employees shall be granted military leave without pay for the duty indicated in their military orders that is not covered by military leave with pay or by the employee's use of his or her annual, military bank, compensatory, overtime or family and personal leave balances. State service continues to accumulate while an employee is on Military Leave.

Employees remain eligible for reinstatement to previous positions for a cumulative period of up to five (5) years of active duty. Employees must *request reinstatement* within ninety (90) calendar days of the

day after release from active duty. Employees are to be reinstated within a reasonable period of time after notification to the employer, normally considered to be within five (5) to ten (10) workdays.

C. Family and Medical Leave. In compliance with the FMLA, the FMA provides up to twelve (12) weeks of unpaid family and medical leave during any twelve (12)-month period if the employee has been employed with the FMA for at least twelve (12) months and has worked for at least 1,250 hours during the twelve (12)-month period immediately preceding the commencement of leave. Leave under FMLA may be taken for any of the following reasons:

1. For incapacity due to pregnancy, prenatal medical care or childbirth;
2. To care for the employee's child after birth or placement for adoption or foster care;
3. To care for the employee's spouse, son or daughter, or parent, who has a serious health condition;
4. For a serious health condition that makes the employee unable to perform the employee's job;
5. Military Family Leave Entitlements (see DOL regulation for details).

Any leave taken by an employee under the FMLA is unpaid. An employee who elects to take leave under the FMLA must first use all of his/her available annual leave, compensatory time and personal days (as well as sick leave related to an employee's personal illness). All such leave will be included in the twelve (12) weeks of leave available under the FMLA.

Leave under the FMLA may be taken intermittently or on a reduced leave schedule in the event of an employee's own serious health condition or to care for a family member with a serious health condition. The FMA reserves the right to ask for proper documentation should intermittent leave be requested.

Any employee wishing to take leave under the FMLA is required to provide written thirty (30) days advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. Certification from a qualified health care provider normally will be required for leave requests related to the serious health condition of the employee, his/her spouse, child or parent. The FMA may require a second or third opinion, periodic reports during FMLA leave regarding the employee's status and intent to return to work or a fitness for duty report to return to work.

Upon return from FLMA leave, Full-Time Employees will be restored to their original or equivalent positions with equivalent benefits, pay and other terms and conditions of employment. If an employee does not return at the end of FMLA leave, he/she will be terminated and may be required to reimburse the FMA for employer-paid premiums on all benefits continued during the unpaid leave period.

EMPLOYEE HANDBOOK - ACKNOWLEDGEMENT

I _____, acknowledge receipt of my copy of The Fort Monroe Authority (FMA) Employee Handbook. I also acknowledge that it is important for me to read and understand it, and I agree to abide by its provisions, including those provisions that may be changed or added from time to time during the course of my employment.

In consideration of my initial or continued "at-will" employment, I agree to conform to the rules and regulations of the FMA and that my employment and compensation can be terminated, with or without cause, at any time, at the option of either my employer or myself.

Upon termination of employment with the FMA, I hereby certify and agree that all the FMA property, including, but not limited to, debit/credit cards, cellular phones, computers, office equipment, access and parking cards or keys assigned to me for the benefit of the FMA will be returned by me to the FMA.

Further, I authorize the FMA to withhold from my final check, which is typically for the payout of accrued leave, (i) any amounts owed to the FMA for personal use of the FMA long distance telephone or charge card(s) provided to me for use on behalf of the FMA and (ii) the amount equal to the deficit, if any, in my flexible spending account.

Finally, I agree to keep confidential any private, confidential or sensitive information regarding the FMA or its borrowers to which I may have access during my employment.

Employee

Date

Witness

Date