

Contents

1.0 INTRODUCTION	6
1.1 ABOUT THIS HANDBOOK	6
1.2 WELCOME TO OUR TOWN	7
1.3 ABOUT THE TOWN OF OCEAN CITY, MARYLAND	7
1.4 EQUAL OPPORTUNITY EMPLOYMENT	8
1.5 HARASSMENT FREE WORKPLACE	9
1.6 CODE OF CONDUCT	11
1.7 COLLECTIVE BARGAINING AGREEMENT	12
2.0 HOW WE KEEP IN TOUCH WITH YOU	12
2.1 NEW EMPLOYEE ORIENTATION	13
2.2 KEEP US UP-TO-DATE	13
2.3 YOU AND YOUR SUPERVISOR	13
2.4 YOUR EMPLOYEE COUNSELOR	13
2.5 YOUR PROBLEM-SOLVING PROCEDURE	14
2.6 OUR BULLETIN BOARD	14
2.7 OUR NEWSLETTER - “THE SANDPAPER”	14
3.0 ABOUT YOUR JOB	15
3.1 APPOINTING AUTHORITY	15
3.2 EMPLOYEE CATEGORIES	15
3.3 YOUR PROBATIONARY PERIOD	16
3.4 JOB CLASSIFICATIONS	17
3.5 WORKING HOURS	17
3.6 LIBERAL LEAVE PROCEDURE	18

3.7 EMERGENCY OPERATIONS PROCEDURES	18
3.8 DAILY ATTENDANCE RECORDS	20
3.9 OVERTIME WORK.....	20
3.10 COMPENSATORY TIME	21
3.11 CALL BACK PAY.....	21
3.12 ACTING CAPACITY	21
3.13 PAYROLL INFORMATION	22
3.14 EMPLOYMENT OF RELATIVES	22
3.15 MEDICAL EXAMINATIONS	23
3.16 SECURITY CHECKS	23
3.17 LOCKERS	24
3.18 LOST AND FOUND	24
3.19 ACCIDENT REPORTS	24
3.20 EMPLOYEE IDENTIFICATION BADGES.....	25
3.21 PERSONAL PROPERTY	25
3.22 ACCESS TO PERSONNEL RECORDS.....	25
3.23 EMPLOYMENT CONFIRMATION & OUTSIDE INQUIRIES.....	26
3.24 EMPLOYEE VOLUNTEERING.....	26
4.0 YOUR EMPLOYEE BENEFITS	27
4.1 SECTION 125 - IRS CODE DEDUCTION	27
4.2 PAYROLL DEDUCTIONS	28
4.3 HEALTH INSURANCE	28
4.4 LIFE INSURANCE	29
4.5 SHORT & LONG TERM DIABILITY	29

4.6 LIFE THREATENING ILLNESSES	32
4.7 ACCRUED BENEFITS DONOR PROGRAM	32
4.8 EMPLOYEE PENSION & RETIREMENT PLANS	32
4.9 DEFERRED COMPENSATION/EMPLOYER MATCH CONTRIBUTION.....	33
4.10 WORKERS' COMPENSATION	33
4.11 UNEMPLOYMENT COMPENSATION.....	34
4.12 SOCIAL SECURITY & MEDICARE.....	34
4.13 AMBULANCE SERVICE.....	34
4.14 BUS SERVICE.....	34
4.15 CREDIT UNION	35
4.16 UNIFORMS	35
4.17 EMPLOYEE RECREATIONAL ACTIVITIES.....	35
5.0 TIME OFF FROM WORK	36
5.1 PAID VACATION	36
5.2 PAID HOLIDAYS.....	37
5.3 PERSONAL LEAVE.....	38
5.4 BEREAVEMENT LEAVE	38
5.5 CIVIL LEAVE - COURT DUTY	39
5.6 VOTING PRIVILEGE.....	39
5.7 FAMILY AND MEDICAL LEAVE ACT (FMLA) POLICY	39
5.8 PAID SICK LEAVE	45
5.9 MILITARY LEAVE	46
5.10 LEAVE WITHOUT PAY	46
6.0 YOUR CAREER DEVELOPMENT	47

6.1 TUITION ASSISTANCE.....	47
6.2 PERFORMANCE REVIEWS	48
6.3 INTERNAL APPLICANTS, JOB PROMOTIONS AND TRANSFERS	48
6.4 RE-EMPLOYMENT.....	50
6.5 WORK REDUCTIONS.....	50
6.6 EMPLOYMENT TESTING	51
7.0 YOUR RESPONSIBILITIES.....	51
7.1 PROGRESSIVE DISCIPLINE	51
7.2 EMPLOYMENT TERMINATION	52
7.3 EMPLOYEE CONDUCT.....	53
7.4 STANDARDS OF ATTENDANCE.....	55
7.5 BE HEALTH AND SAFETY CONSCIOUS.....	56
7.6 BE ALERT TO SECURITY	57
7.7 OBSERVE OUR RULES ON WORKPLACE SMOKING / VAPING	57
7.8 REMEMBER COURTESY	57
7.9 BE AWARE OF YOUR PERSONAL APPEARANCE	58
7.10 RESPECT CONFIDENTIAL INFORMATION.....	58
7.11 EXPECTATIONS FOR THE USE OF E-MAIL, COMPUTERS & OTHER EQUIPMENT	58
7.12 RESTRICT PERSONAL PHONE USAGE.....	59
7.13 RESTRICTIONS ON OUTSIDE ACTIVITIES	59
7.14 AVOID CONFLICT OF INTEREST.....	60
7.15 OBEY OUR EMPLOYEE SOLICITATION AND DISTRIBUTION RULES.....	60
7.16 MAINTAIN A DRUG AND ALCOHOL-FREE WORKPLACE.....	61

7.17 POLITICAL ACTIVITY	62
7.18 THE GRIEVANCE PROCESS	63
7.19 SOCIAL MEDIA EXPECTATIONS.....	66
8.0 OUR RESPONSIBILITIES.....	67

1.0 INTRODUCTION

1.1 ABOUT THIS HANDBOOK

The Town of Ocean City (“The Town”) has always believed in promoting an atmosphere of open communication and cooperation among all of our employees. This Employee Handbook (the “Handbook”) reflects that thinking. It supersedes in all respects any prior handbook and has been prepared for you, our employees, to provide general information about your benefits, and highlights the work rules and procedures under which we operate. Obviously, we could not begin to explain every Town procedure, rule or benefit in this Handbook, therefore its contents should be considered a general summary of our benefits, work rules and policies.

From time to time the Town may, in its discretion, amend, supplement, modify, or eliminate one or more of the benefits, work rules, policies or procedures described in this Handbook, or any other employment benefits, work rules, policies or procedures without prior notice.

This Handbook does not constitute a guarantee that your employment will continue for any specified period of time or end only under certain conditions. Nothing in the Handbook constitutes an express or implied contract of employment or warranty of any benefits. Employment with the Town is a voluntary employment-at-will relationship for no definite period of time.

While we hope to have a long and mutually beneficial working relationship together, regardless of anything which may appear in this Handbook or any other Town publication, policy, statement or practice, you have the right to terminate your employment relationship for any reason with or without cause or notice at any time and the Town reserves the right to do the same.

1.2 WELCOME TO OUR TOWN

It is our pleasure to welcome you to the Town of Ocean City and to wish you success in your job. You have become a part of a municipal government that has earned a reputation for fine service, courtesy, and professionalism. You were selected because we believe you have the potential and desire to meet these high standards and help us maintain our position of leadership. We hope you will find the atmosphere one in which you can learn and grow professionally.

The progress of any organization like ours depends on its employees, people with initiative, creativity, and enthusiasm. We believe we have such employees in Ocean City, a blend of experienced and new employees working together for our common success.

We are dedicated to the principle of quality service. Our record of progress and growth attests to the validity of this objective as well as our success in living up to it.

We hope that you will share our enthusiasm about the growth and progress of our Town.

1.3 ABOUT THE TOWN OF OCEAN CITY, MARYLAND

Ocean City, Maryland, boasts 10-miles of pristine beach and a nearly 3-mile historic Boardwalk, making Maryland's only coastal community a popular destination for visitors in the Mid-Atlantic region. Situated on a barrier island, Ocean City was once a barren seaside village attracting only a few fishermen until the late 1800s.

In 1869, Isaac Coffin, a local farmer, constructed a small inn to accommodate fishermen and other visitors to the seaside town. By 1875, other hotel properties arose, and the small fishing village was officially incorporated, paving the way for Ocean City to become the famous resort destination it is today.

In 1880, the first permanent bridge across the Bay was built, connecting Ocean City to the mainland. Before the bridge, visitors rode the train to the edge of the mainland, where they would then cross the Bay by boat.

In 1898, Daniel Trimper moved to Ocean City from Baltimore and started an amusement park, which is owned and operated by the Trimper family to this day. Soon after, Capt. Christopher Ludlum and his son traveled from Cape May, New Jersey, and

started the pound fishing industry in Ocean City, which became a source of employment for many local men.

While the men fished, the wives were instrumental in running the hotels. From 1900 to 1915, the first Ocean City Boardwalk was constructed and the tourism industry grew.

In August 1933, a violent four-day storm hit Ocean City and cut an inlet through the island, linking the Atlantic Ocean with the Bay. The inlet soon brought a new industry to Ocean City - sport fishing. With easy access to the ocean, fishermen no longer had to launch boats through the surf or limit themselves to bay fishing. In 1934 the first white marlin was caught off the coast and Ocean City claimed the title of "White Marlin Capital of the World."

The Town's growth continued until World War II when the resort, like the rest of the world, focused its energies on the war. Still, it was during this period (1941) that the resort got its first automobile bridge.

This once humble fishing village that covered only a few blocks of land now stretches ten miles long. In 1981, the Town adopted a city manager form of government, serving as a full service, year-round resort and an economic powerhouse for the entire region. Ocean City currently welcomes over eight million visitors annually and generates close to \$3 billion into the State's economy. In addition, the Town offers a lively Convention Center, numerous area golf courses, and numerous events which encourage tourism year-round.

It is the Town of Ocean City's mission to continue to offer first-class amenities which make Ocean City a world-famous family resort with high-quality customer service to visitors and residents in the resort community. With the clean and safe beaches, natural salt air, magnificent views of the ocean and the Bay, Ocean City is a popular destination to live, visit and work.

1.4 EQUAL OPPORTUNITY EMPLOYMENT

The Town is an Equal Opportunity Employer that supports and is committed to the principle of equal employment opportunity. It is our practice to recruit, hire, train, and promote individuals, as well as administer any and all personnel actions, without regard to race, certain traits associated with race (including hair texture and certain hairstyles), color, religion, sex, gender identity, sexual orientation, pregnancy, marital status, familial status,

national origin, age, disability (physical or mental), military service, or other non-merit-based factors in accordance with applicable laws.

1.5 HARASSMENT FREE WORKPLACE

The Town believes that all employees have the right to work in a mature, professional, and productive environment that is free from harassment. The success of the Town is contingent upon an atmosphere of mutual respect and cooperation regardless of individual beliefs or attitudes. Harassment is both unwelcome and inappropriate behavior that interferes with the maintenance of a positive work environment. It is this behavior that undermines the integrity of the entire Town and it may be directed toward individuals based upon a protected characteristic including race, certain traits associated with race (including hair texture and certain hairstyles), color, religion, sex, gender identity, sexual orientation, pregnancy, marital status, familial status, national origin, age, disability (physical or mental), military service, and/or other legally protected characteristics. Harassment may be present itself in many forms, including, but not limited to the following:

Sexual - Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when (a) submission to or rejection of such conduct is used as the basis for an employment decision, or (b) such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment. Examples of conduct which may constitute sexual harassment, include the following:

1. Promises or threats regarding any term or condition of employment which is conditioned on providing, or failing to provide, sexual favors;
2. Repeated offensive sexual flirtations, advances or propositions;
3. Unwelcome physical contact that is sexually suggestive.

Note: Occasional compliments of a socially acceptable nature do not constitute sexual harassment.

Additional examples of inappropriate behavior, which may constitute harassment include:

Verbal – Language or comments that are offensive, including vulgarities. This may include mocking, hostility, lewd comments and jokes, or intimidation, which alters an individual’s job efficiency.

Nonverbal – Leering or gestures that create an intimidating, hostile or offensive work environment.

Physical – Threats that create an intimidating, hostile or offensive work environment. Unwanted physical contact that includes touching, patting, pinching or brushing against the body.

Written/Pictorial – Pictures, objects, or expressions that could be interpreted as disrespectful of others, and/or conflict with the Town’s goal of maintaining an environment that is free from harassment.

Social Media – The prevalence of social media has significantly increased the potential for employees to make offense and take offense. Following are a few examples of what Social Media harassment may include:

1. Virtual harassment—harassment through a social media site, for example, "friending" a co-worker on social media and then sending offensive messages.
2. Text harassment—harassing, intimidating, or inappropriate comments sent via text messages.
3. Sexting—sending sexually explicit or offensive text messages, photos or videos via electronic media.
4. Cyberstalking—sending an employee inappropriate messages via any electronic method.

This policy applies to all Town employees, as well as customers, vendors and other visitors authorized to be on Town property. If you believe that you or someone else is being harassed, or you have observed harassing behavior, the following procedure should be followed:

1. Any employee who believes that he or she has been the subject of harassment should report, in writing, the alleged act immediately to his or her department supervisor. If a complaint involves a supervisor, the complaint should be filed with the next level supervisor, the division head, department head, Human Resources Director or the City Manager.
2. All complaints will be investigated in a timely and confidential manner.

3. If the investigation reveals that the complaint is valid, action designed to stop the harassment shall be taken.

Violators of this policy will be subject to discipline up to and including immediate discharge.

The Town will make every effort to preserve confidentiality and privacy, but the investigation or legal proceeding may have to address otherwise private matters and may make complete confidentiality impossible.

Retaliation of any sort against an employee for reporting harassment, or for participating in a harassment investigation, will not be tolerated and is grounds for disciplinary action.

Accusations of harassment are very serious. Evidence that an individual intentionally made a false accusation is grounds for disciplinary action, up to and including termination of employment.

1.6 CODE OF CONDUCT

The Town will not tolerate any unlawful discrimination and any such conduct is prohibited. Employees must understand and abide by the following expectations related to the enforcement of the Town's Equal Opportunity Employment and Harassment Free Workplace policies:

1. All employees must refrain from engaging in discrimination and/or harassment, and must report any conduct that is or could reasonably be considered to be discrimination and/or harassment immediately to their supervisor with a copy to the Department Head. If the complaint includes the behavior of the supervisor, the employee should report the conduct to the Department Head and/or Human Resources.
2. Supervisory employees shall attempt to stop any conduct that is, or could reasonably be considered to be, discrimination and/or harassment, if witnessed.
3. Conduct that some regard as harmless "workplace pranks" may violate the Town's Equal Opportunity Employment or Harassment Free Workplace Policies

if the conduct pertains to race, certain traits associated with race (including hair texture and certain hairstyles), color, religion, sex, gender identity, sexual orientation, pregnancy, marital status, familial status, national origin, age, disability (physical or mental), military service, and/or any other legally protected characteristic. Such conduct will not be tolerated.

4. Practical jokes, bullying, and other conduct of a belittling or teasing nature is inappropriate and does not demonstrate the degree of professionalism required of employees.

The Town complies with all applicable laws and regulations and expects all employees to conduct themselves in accordance with the letter, spirit, and intent of all relevant laws, and to refrain from any conduct that violates the Town's Equal Opportunity Employment Policy and Harassment Free Workplace Policy. Employees should bring concerns of this nature to their supervisor and/or, if appropriate, to the Department Head or Human Resources. Employees can raise concerns and make reports, as set forth in the Harassment Free Workplace Policy in the Employee Handbook, without fear of reprisal.

1.7 COLLECTIVE BARGAINING AGREEMENT

The Charter of the Town of Ocean City is the document that would authorize the Town to permit certain employees to negotiate.

In cases of conflict, the approved labor contract will take precedence over the Town's Employee Handbook.

2.0 HOW WE KEEP IN TOUCH WITH YOU

We are always looking for new and improved ways to keep communication channels open on a two-way basis between employees and managers of our Town. We want you to feel free to tell us about your personal recommendations for improvements, as well as any problems you may be experiencing on the job.

The following Communications Network summarizes many of the ways you can share your ideas and concerns with us.

2.1 NEW EMPLOYEE ORIENTATION

The first part of our orientation program is conducted shortly after you are hired. Orientation is designed to help acquaint you with your new working environment and our expectations. Use this opportunity to raise any questions or voice any concerns to our orientation staff.

2.2 KEEP US UP-TO-DATE

Up-to-date personal information is necessary for a number of reasons, including ensuring the receipt of important communications from the Town and the administration of your employee benefits. It is your responsibility to notify the Human Resources Department promptly of any change in your address, telephone number, marital status, dependents, beneficiaries, or anything else that would affect your employee benefits or our ability to contact you quickly.

2.3 YOU AND YOUR SUPERVISOR

If you have any questions concerning your job or related activities, your supervisor is usually your first point of contact. If, however, you do not feel comfortable discussing a particular personal matter with your supervisor, be assured that the other methods of communication outlined in this Section are also available to you.

2.4 YOUR EMPLOYEE COUNSELOR

As noted in section 2.5, your immediate supervisor is the primary person to contact on all subjects when you have a question or concern. However, we've gone further to insure all employees have other means of communication for issues or suggestions that might not flow through the normal chain of management for one reason or another.

The Town has designated our Human Resources Director as an employee counselor to assist you, if you so elect, in addressing your concerns. Should circumstances arise where the steps outlined in section 2.5 are not deemed appropriate, please feel free to take advantage of this option.

2.5 YOUR PROBLEM-SOLVING PROCEDURE

During the performance of your duties, questions or issues may occur that affect your work. Communication usually is the key to resolving disagreements and misunderstandings and is emphasized here. Take all issues to your immediate supervisor for resolution.

Should the issue not be resolved at this level, or should your complaint be with your immediate supervisor, you may request a meeting with the Division/Department Head to discuss it further.

Finally, if the Division/Department Head does not resolve the matter to your satisfaction, you may reach out to the Human Resources Director.

This problem-solving procedure is your “direct line” to your supervisor – please use it! Remember that we can’t help you resolve the challenge if you don’t tell us about it.

2.6 OUR BULLETIN BOARD

Our Town maintains bulletin boards throughout its facilities that contain important information posted for your benefit. It is important that we reserve this space for Town communications. We cannot permit personal items or solicitations to be posted on the Town’s bulletin boards. Some Departments provide separate locations for personal notices.

2.7 OUR NEWSLETTER - “THE SANDPAPER”

Periodically the Town publishes an internal employee newsletter, The Sandpaper, to update you on the Town's activities, to advise you of upcoming events, and to give you a chance to share information with your fellow employees. Our Marketing & Communications Department is responsible for selecting content for this newsletter, Contact the Marketing & Communications Department if you have news you want to share - we value your suggestions.

3.0 ABOUT YOUR JOB

3.1 APPOINTING AUTHORITY

The City Manager is the Appointing Authority for all full-time employees in the Town, with the exception of the City Clerk, Chief of Police, Fire Marshal, City Solicitor and administrative support to the Mayor.

The City Manager, with the advice and consent of the Mayor and Council, is the Appointing Authority for all Department and Division Heads.

All other new appointees to full-time positions must be approved in advance by the City Manager or designated representative.

3.2 EMPLOYEE CATEGORIES

Throughout this Handbook, you will find references to the following employee categories:

1. **Full-time employees, Probationary Period.** Newly hired employees who are regularly scheduled to work a minimum of forty (40) hours per week and who have NOT successfully completed their probationary period of twelve months or more. They are eligible for the benefits outlined in this Handbook and other official documents. Some benefits require a one-year waiting period.
2. **Full-time employees.** Those employees who are regularly scheduled to work a minimum of forty (40) hours per week and have successfully completed their probationary period. They are eligible for the benefits outlined in this Handbook and other official documents.

3. **Part-time employees.** Those employed to supplement full-time staff members. Intended to work a continuing, year-round, but indefinite, schedule. Employees are permitted to work a regularly scheduled workweek totaling less than 1,560 hours annually, to meet on-going needs. They are not eligible for employee benefits.
4. **Temporary or Seasonal employees.** Those employed for a specific period of time to supplement full-time staff members. Often work a regularly scheduled work week, but do not exceed 1559 hours annually. They are not eligible for employee benefits.
5. **Exempt and non-exempt employees.** All employees are also classified as either “exempt” or “non-exempt” for purposes of establishing eligibility for overtime pay under the Fair Labor Standards Act (FLSA). Our hourly paid employees are all classified as “non-exempt.” “Exempt” employees are not eligible for overtime pay, however they may earn “compensatory” time on an hour for hour basis to a maximum of 120 hours.

3.3 YOUR PROBATIONARY PERIOD

All full-time employees serve a twelve (12) month probationary period at the beginning of their employment or following movement from one job to another. This is a particularly important time for you and us, since it allows you the opportunity to evaluate whether your role with the Town fits into your career goals, and it also provides the Town with time to assess whether your employment appears to satisfy our present needs.

This training period will last for twelve (12) months from your date of hire, but it may be extended at the discretion of the Town. Your employment might end at your option or ours, before the end of the probationary period or afterwards. During this period, your supervisor may discuss your performance with you. A decision will be made, at the Town’s discretion, in regards to granting you regular “full-time” employee status, extending your probationary period, or terminating the employment relationship. Your successful completion of this period does not result in any change in the employment at-will relationship described elsewhere in this Handbook.

Employees covered under a Collective Bargaining Agreement (CBA) should refer to that contract for details related to their probationary employment.

Note: While in probationary status, the grievance process is not available as a remedy for employment termination.

3.4 JOB CLASSIFICATIONS

Your job has been evaluated by the Town in comparison to other positions to determine your job classification and grade. Some of the factors considered include, but are not limited to: required education, training, and experience to be successful in a role, as well as responsibility for supervision, managing Town assets and exercising independent judgment. Additionally, criteria considered include the complexity of work performed, the impact of errors made by the position and the position's working conditions. These and other criteria are carefully considered and benchmarked against other positions to arrive at an appropriate classification.

Similarly ranked jobs are grouped into pay grades as determined by the Town. Job classifications, minimum and maximum rates of pay, and pay grades are periodically reviewed internally, as well as by external compensation experts, at the Town's discretion.

3.5 WORKING HOURS

Hours of work are determined by the Town to meet the needs of the Town. Your supervisor will advise you of your regular work schedule, meal periods, and arrangements for personal breaks. Your "regular work day" may vary (or range) as determined by management. All general employees should be provided with a thirty (30) minute unpaid lunch period, scheduled at a time convenient to the department. Paid fifteen (15) minute rest breaks may be permitted according to the service requirements of the individual departments, but are not guaranteed. You are expected to be at your job location ready to begin work at your assigned starting time. You should "clock-in" or "sign-in" in accordance with your department's procedures.

All employees are on a bi-weekly pay schedule based on a seven (7) day work week, and pay day is every other Friday. Pay periods end on Sunday at midnight and paychecks are issued the following Friday.

In addition to pay and deduction information, your pay stub contains vacation, compensatory (if you are exempt), holiday, personal and sick leave balances. Errors in pay or balances must be brought to the immediate attention of your supervisor.

Nothing in this Handbook is a guarantee by the Town of hours of work per day, per week, per year, or any specific work schedule. Work schedules may be adjusted temporarily or permanently depending on the needs of the Town.

3.6 LIBERAL LEAVE PROCEDURE

The City Manager may declare a Liberal Leave situation during severe weather conditions or other emergency events. An employee electing to use the Liberal Leave Procedure, must contact their immediate supervisor as soon as possible to receive approval prior to their scheduled work time. Department heads/other supervisors are expected to be flexible with employee requests during times when these types of conditions exist. Department heads/other supervisors and employees are reminded that essential operations must be maintained to avoid an adverse impact on Town provided services. Employees shall take vacation, personal, holiday or comp time when Liberal Leave is granted. Liberal Leave can be granted on a daily basis or any part thereof.

Sick Leave charged during periods of Liberal Leave shall meet the following criteria:

1. Sick leave was previously approved (more than forty-eight (48) hours in advance).
2. If less than forty-eight (48) hours, a medical note must be provided.
3. The illness occurred prior to and continued through the duration of the severe weather.

3.7 EMERGENCY OPERATIONS PROCEDURES

The City Manager may declare Emergency Operations conditions during significant natural or manmade events. Conditions such as heavy snowfall and hurricanes will require certain essential employees to report to work. However, employees deemed non-essential to work during the declared Emergency Operations will not be required to report to work,

and will be paid their regular wages during the declaration. Non-exempt employees required to work will be paid at a rate of time and one-half during the declaration, regardless of whether leave was used earlier in the week. Additionally, under specific circumstances, even when an official declaration of emergency operations has not been designated, certain employees required to report to work during a hazardous event or significant infrastructure failure (i.e. water main break), will generally be compensated at overtime rates, regardless of leave taken during the same week. This is authorized only for true emergencies, and should not be used as an incentive when experiencing for shift coverage issues, heavy workload, or other non-emergencies. Exempt employees required to work will earn compensatory time in accordance with documented procedures.

The type and severity of the conditions requiring Emergency Operations will dictate the employees essential to report to work. The following personnel are normally considered necessary and shall contact their immediate supervisor to confirm they are required before reporting to work:

1. Police – Sworn personnel;
2. EMS/Fire;
3. Emergency Services – Communications & Electronic Services operations personnel;
4. Public Works – Operations;
5. Water and Wastewater – Operations personnel;
6. Transportation – Operations personnel;
7. Information Technology;
8. Finance – Procurement, Payroll and Warehouse personnel;
9. Planning and Community Development;
10. Convention Center – Operations personnel if major event scheduled.

Others such as Engineering, Risk Management, Fire Marshal, Airport, Solid Waste, Construction, Maintenance, Service Center, Beach Patrol, and Parks may be deemed necessary under certain events. The following methods will be used to notify employees:

1. System all-calls on the 800 radio;
2. Notification of television and radio stations;
3. Text and email notification (employees must sign up for notifications on the Town's website);
4. Departmental telephone call trees.

Sick Leave charged during times of Emergency Operations shall meet the following criteria:

1. Sick leave was previously approved (more than forty-eight (48) hours in advance).
2. If less than forty-eight (48) hours, a medical note must be provided.
3. The illness occurred prior to and continued through the duration of the severe weather.

3.8 DAILY ATTENDANCE RECORDS

A daily attendance record is maintained for all non-exempt personnel. Employees may not clock in more than five (5) minutes before their scheduled start time, or clock out more than five (5) minutes after their scheduled end time, without pre-approval or unless working authorized overtime. You must also advise your supervisor of any variation to your normal lunch schedule, so that the times may be accurately noted in the Town's payroll records. Employees are strictly prohibited from clocking in for co-workers (also called "buddy punching")

3.9 OVERTIME WORK

You may be required to work overtime as a condition of your employment. Every attempt will be made to satisfy overtime on a voluntary basis and to accommodate your personal considerations. Department/division heads have the authority to schedule overtime for their department employees. Overtime must be pre-approved by your supervisor. Unauthorized accumulation of overtime is grounds for disciplinary action.

The Town complies with the Fair Labor Standards Act (FLSA), which regulates the payment of overtime premiums for hours worked over forty (40) in a work week. Overtime pay is calculated on actual hours worked, with the exception of holiday hours, therefore all other leave hours (sick, vacation, personal, etc.) used during the work week will not be counted when calculating overtime pay. Certain classes of employees are exempt from the Act. Your status, as the Act applies to you as an employee, will be discussed with you by your supervisor and/or department representative during the interview process and/or orientation. Certain departments covered by collective bargaining, including Fire and Police, are subject to different rules under the FLSA. Those specific rules applicable to your position will be outlined to you by your Department Head and contained in your collective bargaining agreement, if applicable.

3.10 COMPENSATORY TIME

Employees in job classifications that are considered exempt may accumulate up to 120 hours of compensatory time in lieu of overtime. Compensatory time is earned on an hour for hour basis and is credited based on actual hours worked daily, therefore vacation time, personal time, sick leave and accrued holiday hours are not used in calculating compensatory time. If an employee terminates employment for any reason, that employee will be paid for unused compensatory time not to exceed 120) hours.

3.11 CALL BACK PAY

Employees called back to work during the remainder of their twenty-four (24) hour workday, but prior to their next regular shift by a Town employee with supervisory authority, shall be paid for a minimum of three (3) hours.

3.12 ACTING CAPACITY

An employee temporarily covering for a higher-level position is considered to be in an Acting Capacity. If serving in an acting capacity role for at least five (5) business days, the employee is eligible to receive a temporary pay increase of five (5) percent above their regular rate or be placed at the minimum rate of the higher pay grade, whichever is greater. To qualify for acting capacity pay, the individual must be responsible for performing all or the vast majority of the higher level position's duties.

An exception to the five (5) day waiting period may be made for non-supervisor employees performing work which requires the direct supervision and the use of independent judgment related to matters of significance. If performing in an acting capacity position for more than one (1) pay period an employee will adopt that position's exemption status, if different than their normal job.

3.13 PAYROLL INFORMATION

All employees receive a paycheck every other Friday for their work in the previous two (2) work weeks unless that particular Friday happens to be a holiday.

You are strongly encouraged to authorize us to pay you by direct deposit to your designated bank account. The Town will not release paychecks to anyone other than the employee, except with written authorization. Remember that we are required by law to make deductions from paychecks for federal and state withholding taxes, for social security taxes (FICA), Medicare, pension (if applicable) and certain other court-ordered requirements.

You may voluntarily authorize in writing, additional deductions from your paycheck for your contribution to our benefit plans and other items permitted by the Town. It is your responsibility to be certain that all such deductions are correct.

Your pay stub contains important information. Any errors should be brought to the attention of Payroll or your supervisor immediately.

3.14 EMPLOYMENT OF RELATIVES

Members of the same “family,” including spouse, children, parents, brother, and sister are eligible for employment with the Town; however, such employment may not result in an employee directly supervising or having significant influence related to the employment status (promotion, pay increases, etc.) of an immediate family member.

Other relationships may develop between employees (i.e. dating, engagement) which may present a potential for conflict of interest. Employees are expected to disclose these relationships and contact the Human Resources Director for a determination as to whether the relationship presents a potential conflict, and whether the provisions of this section should apply. The Town prohibits direct reporting relationships between members of the same family and also prohibits romantic relationships between supervisors and subordinates.

3.15 MEDICAL EXAMINATIONS

The Town reserves the right to require applicants for employment as well as existing employees, to consent in writing and submit to medical or physical examinations by a physician designated by or approved by the Town at its expense.

3.16 SECURITY CHECKS

To ensure that contraband, drugs, weapons and other unauthorized or illegal substances or materials, do not enter our job sites, the Town premises and other Town facilities, and to further ensure that tools, files, equipment, products, materials, substances and other property of the Town are not being removed from our job sites, Town premises and other Town facilities without our authorization. The Town reserves the right, at its discretion, to question, inspect and search an employee or other person before they enter or leave any of these facilities.

This procedure applies to any employee while on Town business, whether or not on our job sites, Town premises or Town facilities, along with any packages or other items that the employee may be carrying. All vehicles, lockers, containers, brief cases, handbags, and other parcels and personal belongings of employees, as well as e-mail and mobile data utilized through Town operated computer systems are subject to inspection and search by the Town or its designated outside investigators at any time.

These procedures are necessary for the safety, health and security of everyone with the Town and the protection of our property and facilities. Submission to and compliance with these rules is a condition of your continued employment.

It will not be the practice of the Town to randomly search employees or their belongings, but searches may be conducted for reasonable suspicion, or as part of a larger investigation. Supervisors are expected to consult with Human Resources before engaging in a search of employee property.

3.17 LOCKERS

Some Town departments provide lockers for the convenience of their employees on a space-available basis. Both lockers and locks are the property of the Town. For security reasons, lockers and locks may be inspected by the Town periodically without notice, as a condition of your employment. Locks other than those issued by the Town may be removed. The Town retains the right to remove from any locker all contraband, chemical substances, weapons or other materials or objects that could endanger safety, health, property or security, in the Town's judgment.

The lockers and locker rooms are furnished for your convenience. They may be used only during break periods and before and after work to change clothes. The Town shall not be responsible for theft or damage to property placed in lockers, and we discourage the storing of money, jewelry, or other valuables in lockers.

If you resign or otherwise terminate employment with the Town, you must return the lock to your supervisor if it is not built in, and remove your belongings from your locker. Any items remaining in the locker after your final paycheck is issued will be removed and disposed of by the Town.

3.18 LOST AND FOUND

A number of departments throughout the Town have lost and found programs. Check with your department to determine if a program is available to you. If so, items are to be turned in to the responsible person and will be released to those claiming ownership after satisfactorily establishing proof of ownership.

3.19 ACCIDENT REPORTS

Any illness or injury that you suffer on the job must be reported immediately to your supervisor who will contact the Risk Management Department. If your condition requires you to leave your job, you must present an authorized written statement from a physician when you return to work, stating that you are well and able to resume your job duties. This

statement must be presented to your supervisor before you are allowed to return to work, and it is subject to verification by the Town's physician or designee, at the Town's expense, if we so choose.

In order to help prevent accidents, it is your duty to report immediately to your supervisor, any condition that you believe is unsafe or unhealthy.

3.20 EMPLOYEE IDENTIFICATION BADGES

You will be issued an identification badge upon your employment with the Town. You must use this badge which contains your photograph, name, department, and job title to gain access to the designated employee entrances on all job sites, to other Town facilities and for free bus transportation.

Although you will keep the badge while you work here, it remains Town property and it is returnable upon demand, as is all other Town property that you may be issued. If you lose your badge, you will be issued a new one as approved by your department/division head/supervisor.

3.21 PERSONAL PROPERTY

The Town does not accept responsibility for your personal property. We urge all employees to leave valuables at home. If you lose anything or you find anything of value, notify your supervisor.

3.22 ACCESS TO PERSONNEL RECORDS

Employees have the right to review their official employment records, except that sworn police officers cannot view background investigative files. An access log must be completed before the review occurs and it must be conducted in the presence of the Human Resources Department at a time amenable to both. Employees may request copies of documents in their employment records; however, they are not permitted to alter,

remove, add, or replace any document. The Human Resources Department may charge reasonable fees when requested to provide copies of materials contained in the official employment record, or when frequent requests for copies of materials are received from the same employee.

3.23 EMPLOYMENT CONFIRMATION & OUTSIDE INQUIRIES

Inquiries from outside interests (credit checks, verifications of employment, etc.) should be directed to the Human Resources Department. The Human Resources Department shall continue the practice of only confirming position, salary (with written authorization), and dates of employment.

It is your responsibility to keep the personal information in your personnel record up-to-date. Changes may have a direct bearing upon your employment or your benefits. Therefore, the Human Resources Department must be notified promptly when you have any changes to be made in your record such as:

1. Name.
2. Address and telephone number.
3. Marital status.
4. Dependents.
5. Insurance beneficiary.
6. Tax withholding information.
7. Emergency contact.
8. Completion of any educational or training courses.
9. Any awards or letters of commendation.
10. Driver's license status.

3.24 EMPLOYEE VOLUNTEERING

The Fair Labor Standards Act (FLSA) provides that individuals performing volunteer services for local governments may be regarded as volunteers and not employees. The purpose of this procedure is to define the circumstances under which individuals may

perform volunteer service for the Town without being considered as employees during that time.

A “volunteer” is defined as an individual who performs hours of service for the Town for civic, charitable, or humanitarian reasons, without promise, expectation or receipt of compensation for services rendered. Individuals shall be considered volunteers only when their services are offered freely and without pressure or coercion, direct or implied, from the employer. An individual is not considered a volunteer if they are performing the same type of work they normally would as an employee of the Town. For an employee to be eligible to volunteer during business hours they must receive advanced approval from their supervisor and use accrued leave to be compensated for missed time.

4.0 YOUR EMPLOYEE BENEFITS

In addition to the regular paycheck you receive for working for the Town of Ocean City, the Town offers numerous benefits, services, and conveniences to help provide protection and assistance for you and your family.

Our insurance, pension and other plan benefits are discussed in more detail in separate booklets, in the formal contracts and other official documents. In the event there is any question or conflict in language or interpretation between those documents, in relation to the provisions of this Handbook, the terms of the actual contracts and other plan documents will have control over the summaries in this Handbook.

Following are some of the highlights of the Town’s employee benefits program, and a number of other services and conveniences the Town offers in recognition of your value to our organization.

4.1 SECTION 125 - IRS CODE DEDUCTION

The Town has adopted a cafeteria plan under Section 125 of the Internal Revenue Code of 1986, which allows eligible employees to pay benefit costs on a pre-tax or after-tax basis. Eligible benefits include contributions for health care, flexible spending accounts, and the Town’s pension and retirement plans, among other benefits.

On a pre-tax basis, the benefit cost is equal to a salary reduction and is not considered compensation. As such, the salary reduction is not subject to Social Security, Medicare or income taxes.

If the employee elects to pay the benefit costs on an after-tax basis, the amount is included in gross income, and the deduction is made after applicable taxes have been deducted.

4.2 PAYROLL DEDUCTIONS

The following items are authorized by law and are automatically deducted from each payroll check:

- | | |
|--------------------------------|--|
| 1. Social Security | 4. Court Ordered Deductions/Garnishments |
| 2. Federal Income Tax | 5. Medicare |
| 3. State and County Income Tax | 6. Pension Plan Contributions |

Only you may authorize, in writing, other voluntary deductions for such purposes as:

1. Medical, Dental, Vision and Supplemental Life Insurance coverage;
2. United Way contributions;
3. Uniform Service and/or safety shoes;
4. Other deductions you may authorize.

4.3 HEALTH INSURANCE

The Town offers group health insurance, which includes bundled medical, dental and vision coverage to all full-time employees and their eligible dependents. If elected, coverage becomes effective the first day of the month following date of hire.

The Human Resources Department provides each full-time employee with booklets describing the benefits during New Employee Orientation.

Employees who separate or retire from the Town may be eligible for Retiree Health Insurance Benefit options if they meet the criteria established by the pension plans and Town Ordinance(s).

4.4 LIFE INSURANCE

The Town provides life insurance coverage for all full-time employees beginning on their first day of work. Employees with less than twelve (12) months service are insured for \$5,000 in life insurance and an additional \$5,000 in the event of an accidental death and/or dismemberment. Additionally, spouses and children are automatically insured for \$2,000 and \$1,000 of insurance coverage respectively. Employees with twelve (12) or more months of service are insured for two times (2X) their annual salary up to \$200,000, plus an additional one times (1X) their annual salary in the event of accidental death and/or dismemberment. Employees may convert their group policy to an individual policy within thirty (30) days of separation from employment.

Note: Supplemental life insurance is available to full-time employees and their dependents at their own cost. Full details are available from the Human Resources Department.

4.5 SHORT & LONG TERM DIABILITY

All regular full-time employees are eligible for disability benefits in the event of a serious personal illness or non-job-related injury. All premiums for this coverage are fully paid by the Town.

1. **Short Term Disability** (also referred to as short-term sick): Coverage is available to full-time employees who apply and qualify based on a documentation of a serious condition. The cost of this benefit is covered 100% by the Town. Benefit is determined by years of service. Benefits range from 60% to 100% of pay and may be used following two (2) weeks of absence due to illness or injury. This program is for non-work-related illnesses. Family and Medical Leave (FML) will be declared to run concurrently with absence and/or 'light duty' assignment in this category. Full details are available upon request.

2. **Long Term Disability:** Coverage is available for continuing periods of absence greater than one hundred eighty (180) days when the employee is certified as disabled by their health care provider. The cost of this benefit is covered 100% by the Town. This benefit provides a monthly payment equal to 60% of employee's base monthly earnings, up to a maximum monthly benefit of \$6,000. Other benefits/income may reduce the program's monthly benefit. Applications are completed during New Employee Orientation.

3. **Absence in excess of six (6) months:** For any reason, including but not limited to illness, off-the-job injury, layoff, or leave of absence, since your last day worked for the Town or for a period exceeding the length of your continuous service with the Town, whichever is shorter will result in termination of employment. See section 7.4 for more information.

TOWN OF OCEAN CITY

SHORT & LONG TERM DISABILITY PROGRAM

Years of Service	Short Term	Long Term
Less than 1	Accrued sick days	None.
1 to 5	*80 hours of accrued leave (if available) followed by 100% for one month (160 hours), 60% for balance up to 180 days.	Monthly payment equal to 60% of monthly earnings less family social security, pension, worker's compensation benefits and/or other disability benefits up to a maximum monthly benefit of \$6,000.00, effective the 181 st day of continuous disability as certified by an attending physician.
6 to 10	*80 hours of accrued leave (if available) followed by 100% for two months (320 hours), 60% for balance up to 180 days.	
11 to 19	*80 hours of accrued leave (if available) followed by 100% for four months (640 hours), 60% for balance up to 180 days.	
20 and over	*80 hours of accrued leave (if available) followed by 100% for balance up to 180 days (960 hours).	

* 2 week waiting period applies

4.6 LIFE THREATENING ILLNESSES

Generally, employees having infectious diseases will be treated in a manner consistent with other medically disabling conditions, as determined by the Town. The terms of the Town's sick leave, attendance procedures and health insurance, will apply with respect to lost work time and medical costs and benefits.

When, in the opinion of the Town's medical advisor, the disease is of a type which does not present a risk of transmission to others, then the employee will be permitted to work, so long as the Town determines that he or she remains qualified to perform the job, with reasonable accommodation, in accordance with applicable law. The Town reserves the right, however, to the extent permitted by law, to require such employee to submit to a medical examination by a medical professional selected by the Town, to certify that the employee should or should not continue to work, in the interest of safe and healthy working conditions for all personnel and the general welfare of the Town. The Town recognizes that medical information is personal and confidential and will take all reasonable steps to ensure confidentiality.

4.7 ACCRUED BENEFITS DONOR PROGRAM

The Accrued Benefits Donor Program provides a means for full-time employees to "donate" a portion of their accrued leave time to the leave bank of another full-time employee, when the "recipient" has exhausted all of their own accruals, including their short-term disability benefits and has been diagnosed with a life-threatening or other emergency condition that is covered by the Family and Medical Leave Act (FMLA). A leave donation may also be used to bridge the two-week waiting period for short-term disability. Leave available for donation excludes sick leave. The application form and additional information are available upon request from the Human Resources Department.

4.8 EMPLOYEE PENSION & RETIREMENT PLANS

The Town has established Deferred Benefit Pension Plans and Deferred Compensation Retirement Plans for full-time employees that are financed by the Town and

employee contributions, to provide a retirement benefit. All new, full-time employees will be enrolled in the appropriate Plan on their first day of eligibility. All employees are required to make a pre-tax contribution to their respective plan for the length of time required by their plan.

Employees planning to retire should notify the Human Resources Department at least sixty (60) days in advance of their intended retirement date.

4.9 DEFERRED COMPENSATION/EMPLOYER MATCH CONTRIBUTION

In addition to the plans mentioned in 4.8 in which full-time employees are required to participate, full-time employees are also eligible to enroll in a voluntary 457b Deferred Compensation Plan. Participating employees may defer a portion of their income up to an amount established by the Internal Revenue Service.

The Town will match up to a pre-determined maximum to each employee's active deferred compensation account annually. This deferred compensation match amount is reviewed annually.

The Human Resources Department can provide a packet describing this Deferred Compensation Plan in more detail.

4.10 WORKERS' COMPENSATION

If you are injured or become ill as a result of your work, you may be eligible to receive insurance benefits as provided under the Maryland Workers' Compensation Act. The Town pays all costs of providing this insurance protection. To file a workers' compensation claim, you must:

1. Report any injury to your superior immediately after occurrence. The department/division head or supervisor must complete the First Report of Injury or Accident Form, and the Supervisor's Investigation Report, and forward both immediately to the Risk Management Department.

2. Contact the Risk Management Department for medical treatment authorization and additional information.

4.11 UNEMPLOYMENT COMPENSATION

The Town pays into an insurance fund that may provide you with income in the event you become laid off and unemployed through no fault of your own. As an employee, you pay no part of the fund that provides you with this benefit. The entire cost for this protection is paid by the Town.

4.12 SOCIAL SECURITY & MEDICARE

Social Security and Medicare is a benefit to all employees, with responsibility for contributions shared equally by the Town and you as an employee. Your share is deducted from your wages each pay period. The Town makes an equal contribution and sends the total (employer and employee) payment to the Internal Revenue Service. Social Security and Medicare payments made by the Town are not subject to Federal or State Income Tax by the employee.

4.13 AMBULANCE SERVICE

The Town provides ambulance service at no out-of-pocket cost to active full-time employees and dependents for services rendered within the Town's response district.

4.14 BUS SERVICE

Bus service is available at no cost to ALL employees if they present their Town of Ocean City Employment Identification (I.D.) card.

4.15 CREDIT UNION

All full-time employees and members of their immediate family are eligible to join the State Employees Credit Union. It is an independent, autonomous and employee-controlled savings and lending institution. The Town has no role in the Credit Union's management or decisions. We therefore assume no responsibility or liability for any of its acts or omissions.

Membership applications and additional information is available from the Human Resources Department. Employee may retain membership for self and family members after separation of employment.

4.16 UNIFORMS

With the exception of uniformed Public Safety employees, if your job requires a uniform, the Town will provide a uniform service, which will launder and maintain them. The cost for this service may be shared by the Town and the employee. Upon separation from the Town for any reason, all uniforms must be returned. Your supervisor will inform you if this affects you.

All employees who participate in this co-share uniform program must sign an authorization for payroll deduction before uniform cost is deducted from any paycheck.

4.17 EMPLOYEE RECREATIONAL ACTIVITIES

A variety of voluntary recreational, social, and athletic functions are supported by the Town from time to time at its discretion, for the benefit of our employees. Financial support for these programs may be supplied by the Town. The Town is not responsible for injuries or accidents resulting from your participation in any of these voluntary recreational activities.

5.0 TIME OFF FROM WORK

We hope that the provisions in this Section of the Handbook will provide you with periods of rest and recreation for you and your family.

5.1 PAID VACATION

All full-time employees in the Town are eligible for a paid vacation. We believe that all employees need a period for rest and recreation. We encourage you to make full use of our Vacation Plan and all of the vacation hours to which you are entitled each year.

Years of Service	Bi-weekly Accrual	Maximum Annual Accrual	Additional Allowed	Maximum Annual Carry Over	Maximum Cash Out at Separation
0-4.99	3.08	80	80	160	240
5-9.99	4.62	120	80	200	320
10-18.99	6.15	160	80	240	400
19+	7.69	200	80	280	480

Vacation hour accrual rates for full-time employees, based on years of service, is earned as follows:

On your full-time employment anniversary date, you may carry over up to eighty (80) hours into the new year. This is in addition to your maximum annual accrual which is based on your years of service.

Use of vacation time must be scheduled and approved in advance by your supervisor. Approval of vacation at a particular time may be denied by your supervisor due to operational needs.

If a designated holiday is observed during your vacation period, the holiday will be paid and vacation will not be charged for that day. When using vacation time, if you experience an illness or disability, a physician's note may be provided to qualify for sick hours, and your vacation hours will be reinstated.

If your employment with the Town is terminated, you will receive pay in lieu of any unused vacation hours up to the maximum accrual and carryover schedule shown above. Vacation hours above the maximum accrual and carryover schedule will be forfeited.

Note: For some departments, use of vacation hours between Memorial Day and Labor Day must be approved by the City Manager, or the Chief of Police for sworn police officers, and may be restricted due to the operational needs of the Town.

5.2 PAID HOLIDAYS

Full-time Town employees are granted the following holidays off with pay (one holiday equals eight (8) hours):

New Year's Day	Martin L. King's Birthday
Presidents' Day	Memorial Day
July Fourth	Labor Day
Columbus Day	Veterans' Day
Thanksgiving Day (2 days)	Christmas (2 days)

All non-exempt employees who work on Thanksgiving Day, Christmas Day or New Year's Day will be paid at the overtime rate of time and one-half. All exempt employees will earn compensatory time at the rate of time and one-half.

An employee who works on a Town holiday other than Thanksgiving Day, Christmas Day or New Year's Day will be paid at straight time, and will bank the unused holiday hours for use at another time. Holiday hours are available for use through the last day of each calendar year. Accrued holiday hours used outside the holiday pay week are treated as time worked and count toward overtime calculations. A maximum of forty (40) hours holiday time can be carried over into the next calendar year.

In order to be eligible for holiday pay, an employee must work or have pre-approved paid leave applied to the day before and the day after the paid holiday. If sick hours are used the day before and/or the day after the paid holiday, a medical note will be required

in order to be paid holiday hours. If a holiday occurs while an employee is on authorized routine sick leave, the holiday will be paid and sick leave hours will not be charged for that day.

While an employee is on authorized extended Family-Medical Leave, the holiday hours “for leave purposes” will be available for use after the respective Family-Medical Leave period. The forty (40) hour maximum carry over still applies.

The balance of all unused holiday hours will be paid out upon separation of employment, not to exceed the current year accrual and forty (40) hours of carryover.

5.3 PERSONAL LEAVE

Full-time employees are granted sixteen (16) paid personal hours each calendar year. Personal hours may be used by employees for any personal issue. Unlike vacation, personal leave need not be scheduled in advance, but every effort should be made to provide your supervisor with as much advanced notice as possible.

1. Sixteen (16) hours of personal time will be credited to each employee’s leave bank on January 1st. New full-time employees will receive pro-rated hours during the first year of employment, based on month of hire.
2. These hours are available for use through the last day of each calendar year. Hours not used by the last day of the calendar year will be lost. Personal hours used are not considered work time and do not count towards overtime calculations.
3. Personal hours used must be coded as personal hours (PH) on the time sheet for each pay period the hours are taken, to ensure correct record keeping.
4. The balance of all unused personal hours will be paid out upon separation of employment.

5.4 BEREAVEMENT LEAVE

The Town recognizes the difficulties faced when a death occurs in an employee’s immediate family. Bereavement Leave with pay may be granted for up to three (3) work

days, or four (4) consecutive work days if the funeral is more than 200 miles one way from Ocean City, ending no later than the day after burial. To be eligible, the employee must have been scheduled to work. Bereavement leave is not considered hours worked when calculating overtime. Immediate family members include the employee's spouse, children and step-children, parents and step-parents, brother, sister, grandparents, grandchildren, legal guardian, current parents-in-law, current grandparents-in-law, current brothers-in-law, current sisters-in-law. Absences in excess of the three (3) days or four (4) days will be charged against other accrued leave time.

5.5 CIVIL LEAVE - COURT DUTY

Full-time employees are eligible for paid Civil Leave for certain court duty.

Jury Duty: Employee is paid for regularly scheduled work time served as a juror.

Witness Duty (non-Work-related): Employees subpoenaed to appear as a witness may use their accrued paid time off, other than sick leave.

Time spent on official Town duty in court is considered regular time worked and Civil Leave does not apply.

5.6 VOTING PRIVILEGE

An employee who is registered to vote may be excused from work for a reasonable amount of time for the purpose of voting, when approved by the Department Head.

5.7 FAMILY AND MEDICAL LEAVE ACT (FMLA) POLICY

The Town grants periods of paid and unpaid leave to employees who request time off for family or medical reasons, in accordance with the Family and Medical Leave Act of 1993 (FMLA). The eligibility criteria and general guidelines used in administering this policy are set forth below. The provisions set below are a summary of the entitlements and requirements of the FMLA. It is our intention to administer the policy in a manner

consistent with regulations issued by the Secretary of Labor. Questions regarding the FMLA should be directed to your supervisor or the Human Resources Director.

Covered employees: To be eligible for leave under the FMLA, you must have been employed for at least twelve (12) months, whether consecutive or intermittent, and worked at least 1,250 hours during the twelve-month period preceding the leave.

Reasons for Leave: You may request leave under the FMLA for the following events: (1) birth of a child; placement of a child with you for adoption or foster care; (2) time needed to care for a spouse, child or parent with a serious health condition; (3) you are unable to perform the essential functions of your job due to your own serious health condition; or (4) for any Qualifying Exigency arising out of the fact that a spouse, child, or parent is a military member on covered active duty or called to covered active duty status.

For purposes of this policy:

1. A “serious health condition” is an illness, injury, impairment or physical or mental condition that involves:
 - a. Any period of incapacity or treatment connected with inpatient care (*i.e.*, an overnight stay) in a hospital, hospice, or residential medical care facility, and any period of incapacity or subsequent treatment in connection with such inpatient care;
 - b. Continuing treatment by a health care provider that includes any period of incapacity (*i.e.*, inability to work) due to a health condition lasting more than three (3) consecutive days, and any subsequent treatment or period of incapacity relating to the same condition that also includes: treatment two (2) or more times within thirty (30) days of the first day of incapacity by a health care provider, or treatment by a health care provider on at least one (1) occasion, which results in a regimen of continuing treatment under the supervision of the health care provider. The first in-person treatment visit must take place within seven (7) days of the first day of incapacity;
 - c. Any period of incapacity due to pregnancy or for prenatal care;
 - d. Any period of incapacity due to a chronic serious health condition, which continues over an extended period of time and requires at least two (2) or more visits to a health care provider per year, and may involve occasional episodes of incapacity;

- e. A permanent or long-term condition for which treatment may not be effective (only supervision by a health care provider is required, rather than active treatment); or
 - f. Any period of absence to receive multiple treatments (including any period of recovery) by a health care provider for restorative surgery after an accident or injury or a condition that would likely result in a period of incapacity of more than three (3) consecutive, full calendar days in the absence of medical intervention or treatment.
2. A “Qualifying Exigency” may include leave taken to: address any issues that arise from the fact that a Covered Servicemember (defined below) is notified of an impending call or order to active duty in support of a contingency operation seven (7) or fewer calendar days prior to the date of deployment; attend certain military events relating to active duty or call to active duty status; to attend family support or assistance programs and informational briefings; arrange for alternative childcare, to provide childcare on an urgent, immediate need basis (but not routine, regular or everyday basis); to enroll in or transfer a child to a new school or daycare facility; make or update certain financial or legal arrangements; attend certain counseling sessions; or to attend post-deployment reintegration briefings.

You may request Military Caregiver Leave under the FMLA to care for a Covered Servicemember with a serious injury or illness if the employee is the spouse, child, parent, or next of kin of the servicemember. For the purposes of this policy, “Covered Servicemembers” include regular armed forces, Reserves, National Guard, or those on the temporary disability retired list; retired military service members are not included. “Next of kin” is the Covered Servicemember’s nearest blood relative (exclusive of parent or child) in the following order: blood relatives with legal custody, siblings, grandparents, aunts and uncles, first cousins. Next of kin can also include another blood relative named by the Covered Servicemember in writing as the preferred caregiver. A “serious injury or illness” is an injury or illness incurred by a Covered Servicemember in the line of duty on active duty that has rendered the service member medically unfit to perform the duties of the service member’s office, grade, rank, or rating and for which she/he is undergoing medical treatment, therapy, recuperation, outpatient treatment, or is on the temporary disability retired list.

Length of Leave: Family Medical Leave under the FMLA is limited to a total of twelve (12) workweeks during a twelve (12) month period. In determining your entitlement to

FMLA, we will consider the twelve (12) month period preceding the date the leave is to be used. The Town applies the method described by the Department of Labor as the “rolling twelve (12) month” period.

Leave taken to care for a sick family member, or because of your own serious health condition, may be taken intermittently or on a reduced work schedule when medically necessary and supported by certification from your health care professional. In such a situation, however, you may be transferred temporarily to a position which, at the discretion of the Town, better accommodates the leave schedule but is equivalent in pay and benefits to the position held prior to the leave. FMLA leave taken for the birth of a child, or for the placement of a child for adoption or foster care, must be taken as a single block of time unless otherwise agreed to by the Town. Eligibility for such leave ends twelve (12) months after the date of birth or placement. If both parents are employed by the Town, they will be jointly entitled to a combined total of twelve (12) workweeks of Family and Medical Leave.

An eligible employee may take up to a total of twenty-six (26) workweeks of unpaid Military Caregiver Leave in a single twelve (12) month period.

You may be entitled to a combined total of twenty-six (26) workweeks in a single twelve (12) month period when using both Family Medical Leave and Military Caregiver Leave in that period.

Application: Employees requesting FMLA leave must provide verbal or written notice of the need for leave to their supervisor or Human Resources. Within five (5) days of your request you will be provided with the appropriate certification paperwork to have completed. You will have fifteen (15) days to return the paperwork to Human Resources. Once completed paperwork is received you will be notified by Human Resources within five (5) days as to the designation of your requested leave. If leave is designated as FMLA, all associated absences must be documented accurately on a leave of absence form, and in payroll, for tracking purposes.

Notice Required: If the need for leave is foreseeable (for example, for a planned medical procedure or the anticipated birth of a child), you must notify us at least thirty (30) days prior to the date the leave is to begin. If the proposed leave is for elective medical treatment, employees should schedule the treatment so as not to disrupt the operations of the Town. If the need is not foreseeable, you should provide as much advanced notice

as possible. The request for leave should be made in writing and include the reason for the leave and amount of time off required.

Certification: You will be required to provide the Town with a health care provider's certification to support your request for Family Medical Leave or Military Caregiver Leave in the following circumstances:

1. Leave for a serious health condition, for you or a family member. If the leave is for your own serious health condition, the Town will also require certification of your ability to return to work.
2. If the leave is for a Qualifying Exigency or Military Caregiver Leave.

If you fail to provide the requested information or if you return an incomplete or insufficient Certification and fail to correct any deficiencies within seven (7) calendar days of the Town's request to do so, your request may be denied. The Town may require re-certification from employees, generally every thirty (30) days unless it has reason to require certification more frequently.

Conditions: The following conditions apply to Family Medical Leave and Military Caregiver Leave.

1. During the leave, the Town will require you to periodically report to your manager on your leave status and your intention to return to work.
2. If you engage in other work or employment during the leave, you may be considered to have violated the terms of the leave and to have voluntarily resigned your employment with the Town.

Pay Status During Leave: Your pay status during a period of leave under the FMLA will depend on the reason for the leave, the length of the leave, and the amount of accrued leave available. You must use accrued paid leave to cover your absence until you become eligible for short-term disability leave. Once your paid leave and/or donated accrued leave benefits are exhausted, you will be on unpaid status during the remainder of the leave. Leave time will not accrue during any period for which you are receiving short-term disability benefits or are in an unpaid status.

Effects on Benefits and Employment: Coverage under our health plan will continue as though you were working during any period that you are on FMLA leave. You will be

required to continue payment of any cost associated with insurance while on this leave. Coverage under the Town's life and long-term disability policies will be continued, in accordance with the provisions depicted in our Plan Documents.

Should an employee's period of leave under FMLA expire, they may request additional leave for a documented serious health related issue. This request must be made in writing to Human Resources and contain, at a minimum, the following information from the employee's healthcare provider: current diagnosis, anticipated return to work date, statement regarding the employee's ability to perform the essential functions of the job upon return, any requested accommodation upon return. It is at the sole discretion of the Town to approve additional leave in excess of twelve (12) weeks. Requests will be considered based on factors including the hardship to the workplace, impact on services delivered to Town visitors, the amount of additional leave requested, and the employee's length of service. All requests will be considered using consistent and relevant criteria.

Return to Work: Upon return to work from leave under the FMLA, you will be reinstated to the position you held prior to the leave or in one which, in the Town's judgment, is equivalent in pay, benefits and other conditions and terms of employment to that held prior to the leave. If you are considered a "key employee" (among the top 10% earners) under the FMLA, however, we are unable to guarantee reinstatement.

Upon returning from a leave taken because of your own serious health condition, you must present a signed Return to Work Certification from your health care provider stating that you are able to perform the essential functions of your job with or without reasonable accommodation.

Should you fail to return to work after the expiration of your leave, depending on the circumstances, you may be considered to have voluntarily resigned your employment, and/or you may be required to refund to the Town any insurance premiums paid on your behalf during the leave.

No Retaliation: The Town will not retaliate against anyone for seeking or taking leave under this FMLA policy or for reporting or complaining about unlawful interference with this policy. The Town will not tolerate retaliation by a supervisor or co-workers.

5.8 PAID SICK LEAVE

Full-time employees accrue eight (8) hours of sick leave per month beginning one month after hire date. These days are to be used for occasional personal illnesses and injuries not work-related. Sick hours are accumulated from year to year with a usable maximum not exceeding two hundred forty (240) hours.

Use of sick leave for an extended period of time, defined as three (3) or more consecutive days, due to illness or injury, requires a healthcare provider's certification, for non-FMLA related absences.

Absences qualifying for Family & Medical Leave (FML) or Short-term Disability (also called short-term sick), require a completed Leave of Absence Form which must be submitted to HR with a physician's certification indicating diagnosis and prognosis. Re-certifications may be required every thirty (30) days. FML will be declared to run concurrently with an absence and/or 'light /restricted duty' assignment in this category. The Town applies the method recognized by the Department of Labor described as the "rolling twelve (12) month period." The Town expects each employee who is released from a health provider's care to return to work promptly and supply a return-to-work release from a healthcare professional. For more information about FMLA see section 5.7 in this Handbook.

Extended sick leave beyond three (3) days, must be requested in advance (whenever possible) in writing, and be approved by the supervisor. Documentation from a medical provider indicating the time off was due to a health-related reason, is required in these circumstances along with a completed Leave of Absence (LOA) form. Documentation from a healthcare provider is not required and should not be requested for time missed due to short-term illnesses less than three (3) days in length. There are two exceptions. A supervisor may require documentation from a medical provider if sick hours are used the day before or after a holiday. Additionally, a supervisor may request documentation if it is believed an employee is abusing sick leave. This requirement should only be implemented after formal counseling with the employee and in coordination with HR.

In cases of extended absence, re-certification of the continuing illness may be required from the attending physician no more frequently than every thirty (30) days.

It is the Town's expectation that employees will quickly return to productive employment, including light duty if available, immediately after release by their attending

physician. All full-time benefits will cease due to full-time status ending, when caused by the employee's inability to return to full-time work, and/or inability to perform all of the essential functions of the job assignment due to continuing illness or injury, which is confirmed by a physician.

Accrued sick leave is not to be cashed out upon termination of employment.

5.9 MILITARY LEAVE

Any full-time or part-time employee who voluntarily or involuntarily enters active duty in the Armed Forces, will be entitled to re-employment rights as stipulated under the Uniformed Services Employment and Re-employment Rights Act (USERRA), 38 U.S.C.S. §§ 4301. Employees are requested to provide us adequate notice of an approaching absence, in accordance with USERRA.

The Town provides a full-time employee ten (10) days, or eighty (80) hours of paid military leave for training purposes each calendar year. The employee must provide a copy of Training Orders to their Department Head as soon as they receive the official notification.

The Town will pay employees who are called to active duty the difference between their military pay and their Town wages. The Benefits including accruals, pension and insurance coverage will remain intact as though employee was actively at work rather than on active duty. All insurance coverages are subject to the standard policy contract provisions, including any applicable war exclusions.

5.10 LEAVE WITHOUT PAY

In general, leave without pay will not be approved. Unscheduled absences resulting in time off without pay may result in disciplinary action depending upon the specific circumstances. Exceptions apply to employees on medical leave. Any other exception requires a documented extenuating circumstance and approval from the Department Head and the Human Resources Director. While on leave without pay, employees remain responsible for their contribution towards benefits. Payment for these benefits will be

made through a bi-weekly deduction to leave accruals, if available. Employees without a leave balance to cover the cost of benefits must reimburse the Town via personal check.

6.0 YOUR CAREER DEVELOPMENT

Continued training and development in your job can be beneficial both to you and the Town, but you must show the initiative and desire to move ahead in your work life.

6.1 TUITION ASSISTANCE

In order to improve your ability to progress in your career, the Town will refund one-half of the direct tuition expenses up to \$2,000 each calendar year paid by any regular full-time employee who has been employed continuously by the Town for six (6) months or more.

Your application for tuition assistance must be submitted on a tuition assistance application form and include proof of payment. Completed forms should be submitted for approval to your Department Head at least two (2) weeks prior to class beginning. To receive approval, the course of study must be from an accredited educational institution, relate to your present position, and/or provide attainable skills for career mobility within the Town.

Upon completion of the course, you must submit to the Human Resources Director your report of grades containing evidence of satisfactory completion of the course. You must be actively employed by the Town on a full-time basis for at least one (1) year after the completion of the course or be responsible for reimbursing the Town the full amount. The amount of reimbursement for which you are eligible will be reduced by the amount of any governmental educational assistance or scholarship you receive.

Department Heads may also approve full-time, part-time, or temporary employees to attend short-term workshops, seminars and other non-credit courses to acquire additional skills and knowledge to enhance their performance directly related to their duties. Program costs may be paid out of the respective department's operating budget.

6.2 PERFORMANCE REVIEWS

The Town believes that providing employees with valuable feedback and setting meaningful goals is an important supervisory responsibility. All regular full-time employees will be evaluated at least annually. Evaluations generally occur on an employee's anniversary date with the exception of department heads who are reviewed annually in January. The review includes your job performance, setting of annual goals, and a discussion of your career goals. The Town also wants to identify and discuss your accomplishments as well as opportunities for improvement. Moreover, the Town may take into consideration the results of your job performance evaluations when making decisions on pay increases.

Performance reviews may be conducted more or less frequently, at any time, depending on management's judgment of circumstances and business needs.

6.3 INTERNAL APPLICANTS, JOB PROMOTIONS AND TRANSFERS

It is within the Town's discretion and practice to promote internally whenever it is appropriate to do so. Normal operating procedure is to post job notices in all Town Departments to inform employees of positions that are open and available.

Except for Department Head positions, when a vacancy (other than temporary) or a new regular job opening occurs, the Town will usually post the job opening for a period of not more than ten (10) consecutive calendar days. The posting period may vary, however, depending upon the urgency of the Town's need to fill the open position as designated in the notice.

If you desire to be considered, submit a completed employment application within the time specified in the notice. The Town will review, and give consideration to the comparative ability, training, attendance, work performance, length of Town service (seniority), and other factors and qualifications deemed relevant, as they relate to all candidates before selecting the successful applicant for the job opening. To be eligible to apply for another position within the Town, the employee must have completed at least six

(6) months of service and be in good standing. Exceptions must be approved by the City Manager and Human Resources.

If you are the successful applicant for an internal job opening and accept the job offer, you must serve a probationary period of twelve (12) months. If we later decide that you cannot perform the job satisfactorily, you may be returned to your former job or another job which the Town determines you are qualified to perform, if one is available, at the Town's discretion. Other actions that may be taken by the Town are described as follows:

A. Position Reclassification

If a position is reclassified to a higher pay grade, the employee is eligible for a 5% salary increase for a reclassification of one pay grade, and an additional 2.5% for reclassification of each additional pay grade up to a maximum of 15%. The resulting pay will be no less than the minimum of the assigned pay grade, but not more than the maximum salary of the assigned pay grade.

Reclassification or changes in pay grade, whether resulting from an internal or external compensation study or individual change in pay grade, shall not be retroactive.

Placement of positions resulting from an internal or external comprehensive review are not considered a reclassification, therefore grade changes may not result in pay adjustments unless the employee's salary is below the minimum of the assigned pay range. Any exceptions to this procedure require the approval of the City Manager.

B. Promotion

When an employee is promoted as a result of a job change or job progression to a higher pay grade position within the same or to a different salary schedule, the salary placement within the new pay grade shall be determined as follows: The employee will be eligible for a 5% salary increase for a promotion of one pay grade, and an additional 2.5% for each additional pay grade up to a maximum of 15%. Exceptions to this procedure require the approval of Human Resources and the City Manager. The resulting pay will be no less than the minimum of the assigned pay grade but not more than the maximum salary of the assigned pay grade.

C. Lateral Transfer

A lateral transfer occurs when an employee is transferred from one job class to another in the same pay grade. When there is no change in pay grade there shall be no adjustment in base salary. Exceptions to this procedure require the approval of City Manager.

D. Demotion

A demotion occurs when an employee is transferred from one job class to a new job class in a lower pay grade. Typically, unless the demotion is for the good of the Town, there will be a reduction in salary but not less than the minimum of the new pay grade. These situations will be handled on a case by case basis with the input of the HR Director and approval of the City Manager.

- a. A voluntary transfer to a lower pay grade or a demotion for disciplinary/performance reasons will be handled as outlined above.
- b. A transfer to a lower grade at the request of the Town for the good of the organization and as approved by the City Manager would result in no reduction in salary.

6.4 RE-EMPLOYMENT

An employee who leaves employment in good standing will be considered reinstated and will not suffer a break in service, if he or she is re-hired within thirty (30) business days of separation.

A break in service of more than thirty (30) days will require an employee to be placed in probationary status. Exceptions require the approval of the City Manager.

6.5 WORK REDUCTIONS

Although the Town strives to maintain work for all Town employees, there may be situations where we determine that it is necessary to reduce our work force. Before making a final decision as to which employees are affected, management will give consideration to comparative ability, training, work performance, length of service (seniority), needs of the

business, and other factors and qualifications we deem relevant, in the Town's discretion and judgment.

6.6 EMPLOYMENT TESTING

Whenever appropriate in the Town's discretion and in accordance with applicable laws, the Town may authorize written and/or performance (competency) tests including job-related skills, physical agility or other types of tests, singly or in groups, as circumstances warrant. Employees should follow all appropriate testing procedures. You are encouraged to discuss these matters further with your supervisor.

7.0 YOUR RESPONSIBILITIES

7.1 PROGRESSIVE DISCIPLINE

Whenever a group of people work together, there must be standards of conduct and attendance established to provide guidance and consistency. It is impossible to define in detail every standard for every circumstance, and the Town tries to keep rules to a necessary minimum. We hope that your common sense will guide you as to the appropriate actions to take in most cases, so while we have listed many behaviors to avoid in the Employee Conduct Section (7.3) of this Handbook, that list should not be regarded as an all-inclusive list of our expectations or standards and may be amended by Town officials.

If you have any questions about these standards of conduct, performance and attendance, or about what to do or not to do in a situation, please contact your supervisor.

Obviously when employee misconduct or continuing poor performance occurs, measures must be undertaken to correct the situation and to curtail further occurrences. The approach we take to discipline may vary, depending on our discretion, taking into consideration such things as the gravity of the offense, the circumstances under which it occurred, your duties, your length of service (seniority) with the Town, and your overall work record, including any prior misconduct. In order of severity, discipline can take any one of the following forms:

1. Verbal Warning
2. Written Warning
3. Placement on a Performance Improvement Plan (PIP)
4. Final Warning which may include:
 - a. Suspension from work, with or without pay
 - b. Denial of annual pay increase
 - c. Demotion
5. Dismissal

Keep in mind that the Town has no obligation to use any one or more of these forms of discipline prior to discharging an employee. Any or all of these steps may be omitted, as the Town deems appropriate in its discretion. Moreover, by establishing this disciplinary procedure, the Town is not relinquishing nor limiting its managerial right to discharge for any reason at all, at any time, with or without notice.

The use of progressive discipline as a pre-condition to termination is discretionary, in the Town's judgment. The Town's decision in every case is final and binding on all concerned, including the disciplined employee and all other persons or entities involved in any way, directly or indirectly.

7.2 EMPLOYMENT TERMINATION

Voluntary Separation

Every organization must plan for its future personnel needs if it is to operate efficiently. Should you decide to leave the Town, you are expected to notify your supervisor at least two (2) weeks in advance of your final day of work. The Town will consider the employee's last day actually worked the last day of employment. Accrued leave may not be used to extend an employee's official last day of employment. Failure to report for work, without contacting your supervisor for three (3) consecutive days will be viewed as voluntary resignation. Also, an employee who verbally quits and walks off the job will be seen to have voluntarily resigned.

Employees who voluntarily terminate their employment without notice, will not be considered to have resigned in "good standing", and therefore may not be eligible for re-employment.

Involuntary Separation

This may occur due to one of the following scenarios:

1. Failing to successfully complete probation, whether it is initial or after transfer or promotion, after reasonable attempts to correct, train and counsel inadequate performance.
2. Lay off, furlough, reduced funding, reorganization or changed workloads. In these cases, there may be cause for temporary, then full-time probationary employees to be released before full-time employees based on their seniority, relevant qualifications and performance evaluations.
3. Continuing poor performance after remediation attempts.
4. Violation of code of conduct expectations.

On your last day worked, you must return all Town property such as tools, books, electronics, equipment and other items. Failure to return Town property may result in a deduction on your final paycheck equal to the value of the items not returned. Remember that you must continue to protect confidential and proprietary Town information, if applicable, even after you leave the Town.

Before you depart, your supervisor or the Human Resources Director may conduct an exit interview with you. They will welcome your feedback on how we can improve our Town.

The Town provides all eligible terminating employees the opportunity to continue their health insurance under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

7.3 EMPLOYEE CONDUCT

You should be aware that there are certain major offenses which may result in an immediate penalty of probation, suspension or even discharge. In other words, if you commit a major offense, all or any part of our progressive discipline procedure may be omitted at the Town's discretion. Currently, sworn police personnel are covered under the Law Enforcement Officer's Bill of Rights (LEOBR) and should refer to that document for more information.

The list below is intended to be a guide only, is not all inclusive and in no way limits management authority to discipline in a manner they deem to be appropriate. In order to avoid such severe consequences, follow simple common-sense guidelines and avoid major offenses such as, but not limited to, the following:

1. Failure or refusal to carry out orders or instructions, insubordination.
2. Unsatisfactory work performance.
3. Failure to fulfill the responsibilities of the job to an extent that might or does cause injury to a person, or damage to or loss of product, machinery, equipment, facilities, or other property of the Town.
4. Violation of a safety, fire prevention, health or security rule, policy or practice.
5. False, fraudulent, misleading or harmful statement, action or omission involving another employee, a customer, the Town or relations with the Town, or any action disloyal to the Town.
6. False, fraudulent, misleading or harmful statement, action or omission related to an employment application, or any other information provided to or requested by the Town whether oral or written; or refusal or failure to timely provide such information.
7. Unauthorized use of, removal of, theft of, or damage to the property of the Town, an employee, an independent contractor, or a customer.
8. Threatened or actual physical violence.
9. The use of profane or abusive language.
10. Carrying any weapon or explosive while on Town business, job site premises or property without authorization from the Town, except as authorized under State law.
11. Violation of any of the provisions of the Town's Drug and Alcohol Abuse Policy.
12. Organized gambling or disorderly or immoral conduct while on Town premises, job site or business.
13. Accepting or engaging in any outside employment without disclosure and approval of the Department Head.
14. Conducting or attempting to conduct any outside business while on the Town's premises or business; accepting gifts in conflict with Section 2-345(e)(4) of the Town code; purchase goods or services for personal use by using the Town's name and/or tax-exempt status.

15. Garnishments beyond the type and number protected by law.
16. Chronic, habitual, or excessive lateness or absenteeism of any type, early departure from work and/or other violations of the Town's Standards of Attendance.
17. Harassment of another employee of a sexual nature or otherwise, including but not limited to, verbal or physical conduct, or unwelcome advances with regard to or on the basis of race, certain traits associated with race (including hair texture and certain hairstyles), color, religion, sex, gender identity, sexual orientation, pregnancy, status as a parent, national origin, age, disability (physical or mental), family medical history or genetic information, political affiliation, military service, or any protected factor in accordance with applicable laws.
18. An arrest, criminal complaint, summons to answer a criminal charge, statement of charges, indictment, criminal information, or any other criminal charge or conviction of an employee, depending on the particular circumstances and the offense charged, including but not limited to, the Town's judgment as to the potential risk to safety or health of employees, the security of Town premises and property, and/or the Town's reputation. It is further noted that employees must disclose charges which could result in incarceration to their supervisor who will consult with Human Resources to determine how charges will impact continued employment.

7.4 STANDARDS OF ATTENDANCE

It is your responsibility to notify your supervisor as far in advance as possible whenever you will not be present during your normal work hours. This includes full and partial day absences, as well as lateness. You are expected to inform your supervisor of the reason for your absence, and to advise when you expect to return to work. Unless you and your supervisor have agreed to an alternate method of communication (i.e., text message), you are expected to call and speak with your supervisor. If the supervisor is not reached, you are expected to leave a message, and make an effort to speak with someone else in the administrative function of your department. If you are physically unable to make a personal call, you are expected to have someone else contact your supervisor on your behalf. A written medical excuse will be required from a healthcare professional for absences of three (3) days in length or more.

No absence is automatically considered to be excused. Chronic, habitual or excessive absenteeism or lateness, as judged by the Town in its sole discretion, may result in disciplinary action up to and including termination in circumstances including but not limited to the following:

1. Frequent short-term unplanned absence or lateness. The Town regards “excessive” absenteeism as two or more unscheduled instances not due to a certified medical condition within sixty (60) days.
2. Absence from work for three (3) consecutive, scheduled work days without notifying the Town during the absence of an illness or accident which prevents you from working. These absences must be supported by written certification from a medical professional, or be attributable to another satisfactory reason, as determined by the Town.
3. Failure to return to work promptly following release for duty by a healthcare professional, unless specifically requested not to do so by the Human Resources Director, or after being notified of recall from layoff/furlough status by the Town.
4. Extended absence from work for any reason, including but not limited to illness, off-the-job injury, layoff, or leave of absence, for a period in excess of six (6) consecutive months since your last day worked for the Town, or for a period exceeding the length of your continuous service with the Town, whichever is shorter.

7.5 BE HEALTH AND SAFETY CONSCIOUS

The Town is vitally interested in the health and safety of each employee. Employees are expected to know, observe and abide by our safety rules. This includes promptly reporting to your supervisor any condition which you believe is unsafe or unhealthy, and any on-the-job or work-related injury. More information related to safety can be found in the Health and Safety Manual which is incorporated into the Town’s Policy and Procedure Manual, available for review on the Employee Website and in the Town’s shared documents drive S:\TOC FORMS\HR Forms\Policies and Procedures.

7.6 BE ALERT TO SECURITY

Our construction sites, facilities, premises and other installations contain valuable machinery, equipment, furnishings, merchandise and other property. It is important in order to protect your job and the jobs of everyone employed by the Town that all employees pay close attention to the security of Town facilities as well as all other property. Notify your supervisor immediately if you see any suspicious or illegal activity of any kind, including the presence of strangers on our job sites or other Town premises.

7.7 OBSERVE OUR RULES ON WORKPLACE SMOKING / VAPING

The Town observes all current State and local ordinances concerning smoking and vaping. Since all Town-owned buildings are public facilities, smoking/vaping is not permitted in any Town-owned structure. Smoking/vaping is not permitted in Town-owned vehicles. Numerous facilities have identified outside areas where smoking or vaping is permitted. Please observe the applicable procedures in each location including clean-up of any smoking litter.

7.8 REMEMBER COURTESY

We view service to our customers and business family as one of our most important responsibilities. You are expected to help us carry out this procedure by extending every courtesy and all assistance necessary to residents, your fellow employees, callers and visitors to the Town. If someone asks you for assistance that you are unable to give, refer them to your supervisor or to the appropriate Town department.

7.9 BE AWARE OF YOUR PERSONAL APPEARANCE

Individual appearance is an important aspect of the Town's overall image, and each employee has a responsibility to be properly dressed at all times. Employees are expected to practice good personal hygiene and to wear clean and neat clothing. Consult with your supervisor for the specific guidelines regarding personal appearance in your work area.

7.10 RESPECT CONFIDENTIAL INFORMATION

Much information concerning the operation of the Town, its taxpayers, sub-contractors and employees is confidential in nature and should always be handled carefully. However, under the Maryland Public Information Act, certain information must be shared with the public when requested according to the procedure.

If you are not sure about whether particular information is available, refer your inquiry to your Department Head, the City Clerk or the Human Resources Director.

7.11 EXPECTATIONS FOR THE USE OF E-MAIL, COMPUTERS & OTHER EQUIPMENT

All communication systems including but not limited to Town provided phones, computers, e-mail, internet access, fax machines, radios and similar business devices (smart phones, laptops, etc.) are the sole property of the Town. Any information transmitted by, received from, or stored in such equipment is the Town's property. Employees should only use these systems for legitimate business purposes to advance the Town's business interests. These systems must not be used to transmit or download solicitations or offensive, vulgar or otherwise disruptive messages or materials, including but not limited to those that oppose the Town's policy regarding Equal Employment Opportunity and Harassment.

The Town reserves the right to initially issue this equipment free of cost to the employee. Should the equipment later require replacing due to the user's negligence, the employee will be responsible for replacement costs.

All messages and materials transmitted by, retrieved from, or stored within the Town's business systems shall be regarded as non-personal, business communications. The Town reserves the right to monitor electronic or telephonic communications in the ordinary course of business and may monitor or copy communications in accordance with applicable law. Employees should not use passwords or retrieve any stored communications or files without prior authorization. Passwords are on loan to employees and, at all times, remain the property of the Town.

Employees found to have violated these expectations shall be subject to disciplinary action, up to and including termination of employment. For more information, refer to the Town's Computer Policy Manual which is incorporated into the Town's Policy and Procedure Manual, and is available for review on the Employee Website and in the Town's shared documents drive S:\TOC FORMS\HR Forms\Policies and Procedures.

7.12 RESTRICT PERSONAL PHONE USAGE

While personal calls and texts on Town-owned and personal phones are permitted, they should be kept to a minimum. Calls and texts should be made or received only when necessary and be as brief as possible. Personal long-distance calls are not to be charged to the Town.

7.13 RESTRICTIONS ON OUTSIDE ACTIVITIES

There are some activities and conduct which you might engage in on your own time outside of work, but which are not compatible with your employment by the Town. This procedure prohibits employees from engaging in such activities if they wish to maintain their employment with the Town. This is not because the Town seeks to interfere in your personal life. Rather, these rules are necessary to protect the best interests of the Town and all of our personnel. Therefore, employees may not pursue activities outside of work which, in the Town's judgment could conflict with the general welfare of the Town; constitute improper or unethical conduct by a public employee or create an appearance of such impropriety; interfere with Town business or the proper performance of duties by any Town employee; or otherwise harm the Town's reputation.

By way of example only, some activities which would not be proper for Town employees include, but are not limited to: using the Town's time, facilities or equipment for personal purposes or for work unrelated to the Town's operations; engaging in outside activity which foreseeably causes you to lose time from work (excluding medical treatments or other activities for which legally protected leave is provided), or to be distracted while working, or otherwise interferes with your ability to perform your job safely and satisfactorily; and engaging in outside activity which creates an actual conflict of interest or the appearance of a conflict of interest with your Town employment. Before engaging in any activity which might be covered by this policy, you should consult with your supervisor, department head, or the Human Resources Department.

7.14 AVOID CONFLICT OF INTEREST

You are expected to avoid any conflict between your personal interest and the interest of the Town in dealing with suppliers and all others seeking to do business with the Town. The responsibility for exercising care and discretion rests initially with you. If you are uncertain about whether a conflict exists, ask for advice and guidance from your supervisor. While secondary employment is generally permitted, employees are required to disclose secondary employment to ensure it does not create a conflict of interest with primary employment.

7.15 OBEY OUR EMPLOYEE SOLICITATION AND DISTRIBUTION RULES

No employee may solicit another employee for any purpose while either employee is on work time. The distribution of literature during work time or in working areas is prohibited.

Further, persons who are not employed by the Town are prohibited from soliciting any employee or distributing literature on Town job sites, premises or at employee work locations at any time. Please report this activity to your supervisor if observed.

7.16 MAINTAIN A DRUG AND ALCOHOL-FREE WORKPLACE

In compliance with the Drug-Free Workplace Act of 1988, the Town has a longstanding commitment to provide a safe, quality-oriented and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of Town employees and to the security of the Town's equipment and facilities. For these reasons, we are committed to the elimination of drug and alcohol use and abuse in the workplace. The Town's full Substance Abuse Policy and Alcohol and Drug Testing Procedure can be accessed on the Town's Employee Website and in the Town's shared documents drive S:\TOC FORMS\HR Forms\Policies and Procedures. You may also be covered by drug and alcohol policies that are specific to your particular department or division. What follows here are general terms applicable to all Town employees. If there is any conflict between this Section and the Town's full Substance Abuse Policy or a department or division specific procedure, the latter shall take precedence.

Whenever employees are working, are operating any Town vehicle, are present on Town premises or are conducting Town-related work offsite, they are prohibited from:

1. Using, possessing, buying, selling, manufacturing, dispensing or being under the influence of illegal drugs (to include possession of drug paraphernalia) or alcohol at any time during the hours between the beginning and end of your work day, whether or not on Town business, premises, property or job site.
2. Performing duties while taking prescribed drugs that adversely affect your ability to safely and effectively perform your job duties. Employees taking a prescribed medication must carry it in a container labeled by a licensed pharmacist.
3. Using illegal drugs or alcohol outside of working hours in a way that could, or does, adversely affect job performance, or another person's safety, health, security or property, or the Town's reputation.
4. Refusing to cooperate in or submit to questioning, medical or physical tests or examination, or an inspection or search, when requested or conducted by the Town or its designee based on reasonable suspicion.
5. An exception may be made for the consumption of alcohol, in moderation, for authorized Town sponsored social activities or business entertainment purposes.
6. The Town reserves the right, in its discretion, to require all employees and applicants for positions to submit to physical examinations, as well as drug and

alcohol testing, at any time by a person or agency designated by the Town at the Town's expense. Such examinations can include, but are not necessarily limited to blood, urine, breath or other tests for evidence of the presence of alcohol, drugs and other substances in the body. As further set forth in this Handbook, the Town also reserves the right to search employees' packages, vehicles, lockers, handbags and similar items while on Town property or business based on reasonable suspicion that controlled substances, alcohol or other contraband would be found in such locations.

In particular, the Town reserves the right, in its discretion, to examine or test for the presence of alcohol and drugs (as stated above) in situations such as, but not limited to, the following, in accordance with applicable law:

1. As part of a pre-employment physical examination.
2. As part of a physical examination which the Town may require employees to undergo on a regular basis, on a schedule to be determined by the Town.
3. As a part of random drug/alcohol testing performed due to the safety, health risk or sensitive security duties of a specific job, as determined by the Town, at any time.
4. Following a safety infraction or work-related accident that does or might cause bodily injury or damage to property in the Town's judgment.
5. Specific employee behavior on the job, which the Town determines, gives management reasonable suspicion that such behavior might be or is due to alcohol or drug use.
6. As otherwise required or permitted by applicable law.

A positive alcohol/drug test result may result in discipline up to and including termination of employment. An employee who refuses an instruction to submit to an alcohol/drug test may also be subject to discipline, up to and including termination.

7.17 POLITICAL ACTIVITY

As employees of a local government entity, employees are limited as to the level of involvement they may have in the political process both on and off duty by both state and federal law. Maryland law prohibits employees of a local governmental entity from: (1)

engaging in political activity while on the job during working hours; or (2) advocating the overthrow of the government by unconstitutional or violent means. Prohibited political activities include using an employee's official authority or influence for the purpose of affecting the results of an election, and wearing or displaying partisan materials or items while on duty. These guidelines are intentionally general in nature. If you have specific questions about state or federal laws regarding political activity by Town employees, or about the application of these legal requirements to a particular situation, please contact the City Manager's Office.

7.18 THE GRIEVANCE PROCESS

The Town considers creating a professional, fair, and equitable work environment among its highest priorities. Open, honest communication with each other in the spirit of cooperation and teamwork play a key role in the progress our Town has experienced. It is the responsibility of all managers, supervisors, and employees to establish and maintain a work climate in which a problem or complaint may be promptly identified, discussed, and given fair, timely consideration. It is recognized that there may be conflicts which will be resolved only after a formal grievance and review.

A grievance is defined as any cause of complaint arising between an employee and the employer on a matter concerning discipline, alleged discrimination, promotion, demotion, assignment, or interpretation or application of Town rules and regulations and contractual agreements. All full-time employees who have successfully finished their probationary employment period, are eligible to initiate a grievance. This procedure is not applicable to probationary, part-time or temporary employees. Complaints pertaining to the general level of wages, placement in a pay grade and/or step increment, fringe benefits or other broad areas of financial management, staffing and performance evaluations, are issues that cannot be grieved.

Grievance Committee: The Grievance Committee shall be composed of three residents of the Town, not employed by this government entity. The Grievance Committee members shall be appointed by the Mayor with confirmation by the City Council and shall be selected based on their demonstrated interest in, and knowledge of, public personnel administration.

GRIEVANCE PROCEDURES

Grievances must be initiated within fifteen (15) calendar days of the actions being grieved, or within fifteen (15) calendar days of the employee having reasonable knowledge of the actions.

STEP 1 - Immediate Supervisor (if supervisor is not a Department Head):

The aggrieved employee shall present the grievance in writing to the immediate supervisor who will meet with the grievant within ten (10) calendar days, and will render a decision in writing to the employee within another ten (10) calendar days.

STEP 2 - Department Head:

If a grievance is not satisfactorily resolved at Step 1, the grievant may present the grievance in writing to the Department Head within ten (10) calendar days of receipt of the Step 1 decision.

The Department Head and the Human Resources Director shall meet to discuss the grievance with the employee within ten (10) calendar days and give a written decision within another ten (10) calendar days.

STEP 3 - City Manager:

If a grievance is not satisfactorily resolved at Step 2, the grievant may present the grievance in writing to the City Manager or his designee within ten (10) calendar days of the Step 2 decision.

The City Manager or his designee shall meet and discuss the grievance with the employee within ten (10) calendar days and give a written decision within another ten (10) calendar days.

STEP 4 - Grievance Committee:

If a grievance is not satisfactorily resolved at Step 3, the grievant may present the grievance to the Grievance Committee within fifteen (15) calendar days following receipt of the Step 3 decision. The Committee shall hear the grievance as soon as three (3) Committee members can be secured for a hearing. The Committee will issue a decision within fifteen (15) calendar days after the hearing. Committee decisions are final and binding on all parties.

Employee Representation: Each employee can be represented at Steps 3 and 4 in the grievance process by a representative of their choice at their expense. Grievance hearings shall be held during work hours.

Appeals on Disciplinary Suspension or Dismissal

Employees wishing to appeal suspension by a department or division head may appeal directly to the City Manager as outlined in Step 3. Employees wishing to appeal suspension by the City Manager may appeal directly to the Grievance Committee as outlined in Step 4.

An employee dismissed or terminated for any reason, except for separation or lay-off while on original probation, may appeal directly to the Grievance Committee as outlined in Step 4.

Other Procedures:

1. Similar grievances may be consolidated and processed together as a single issue. Unless prior permission has been granted at any step by the grievance authority, the grieving group may not select more than three (3) members to attend Step 1 and/or Step 2 meetings of the grievance, or five (5) members to attend Step 3 and/or Step 4 meetings of the grievance.
2. No employee shall leave his post of duty to engage in grievance-handling without the designated supervisor's knowledge and permission.
3. A record of the grievance hearing will be made by someone assigned at Steps 3 & 4.
4. At any point in the grievance procedure, an employee may elect to change or dismiss his representative by providing a written notice of same to the person hearing the grievance. Such action in no way allows the grievant to return to a previous step in the procedure.
5. The intent of the Grievance Procedure is that a Town employee, designated as a witness by either party to a grievance, shall not suffer any loss of pay for time spent in testifying in any step of the Grievance Procedure. Paid release time from normal work schedules shall be granted all witnesses to attend grievance hearings.
6. All grievance hearings shall be open hearings unless either party requests that the hearing be closed.
7. At any step of the grievance procedure, either party may require that witnesses be excluded from the hearing room until called.

Grievances by Department Head

1. Department Heads, who are aggrieved by the action of the City Manager other than the City Clerk, the Chief of Police, and the Fire Marshal, may appeal such action as follows:
2. Contact the City Manager, inform him of the grievance in writing, and set up a mutually convenient time to meet and discuss the grievance.
3. If the grievance is not satisfactorily resolved, the Department Head may address the grievance in writing to the Secretary of the City Council. The Secretary shall arrange for a time within ten (10) calendar days for the City Council to hear the grievance. The Council shall conduct a hearing in Closed Executive Session unless the aggrieved requests a public session.
4. The aggrieved may be represented by anyone of their choice. The municipality shall be represented by the City Solicitor.
5. The City Clerk, Chief of Police and Fire Marshal incumbents may present their grievances directly to the Mayor and City Council for resolution.

7.19 SOCIAL MEDIA EXPECTATIONS

The intent of this procedure is not to interfere with an employee's legal rights of speech or expression, but rather help ensure a distinction between sharing personal and professional views. Nothing contained in this procedure shall be construed as denying civil or political liberties guaranteed by the United States Constitution.

All Town employees may have personal social networking/social media accounts; however, the lines between public and private or personal and professional can be blurred. Guidelines for functioning in an electronic world are the same as the values, ethics and confidentiality policies employees are expected to live every day. Remember, your responsibility to the Town does not end when you are off the clock.

1. Refrain from using social media for personal reasons while on work time.
2. Do not disclose confidential information or the personal information of others.
3. Follow existing policies – Online & Offline. Outside of the workplace - your rights to privacy and free speech protect certain online activity conducted on your personal social networks with your personal email address. Online and offline lives are linked

and ultimately you are solely responsible for what you post. Therefore, employees should consider the following:

- a. Nothing is private: The Internet is an open space and even the strongest privacy settings cannot prevent an approved friend or authorized recipient from independently choosing to forward or repost information.
- b. Make it clear that the views expressed are yours: If you choose to list your work affiliation on a social network, exercise good judgment and make it clear the views expressed are yours.
- c. Consider the risk before posting online content. Participating in social media does not change your responsibilities and obligations as a Town of Ocean City employee.

The Town's full Media and Social Media Policy, PPM 300-16, is incorporated into the Town's Policy and Procedure Manual and is available for review on the Employee Website and in the Town's shared documents drive S:\TOC FORMS\HR Forms\Policies and Procedures.

8.0 OUR RESPONSIBILITIES

Notwithstanding any other provision of this Handbook, all managerial and administrative functions and prerogatives entrusted to and conferred upon employers inherently, expressly, and by law, are retained and vested exclusively with the Town, including but not limited to, the right to exercise our judgment and discretion to take whatever action is necessary, to operate the Town's business, protect its health, property, security and general welfare; to reduce, contract out, sell, terminate, or relocate the Town's operations or any part thereof; to hire, lay off, direct, discipline, discharge or increase the efficiency of the work force in the manner and to the degree the Town deems appropriate; to set the standards of productivity, maintenance, services, security, research and development; and, in general, to take whatever other actions necessary in the Town's judgment and discretion, to administer the Town's operations and direct its work force.

Although the Town from time to time expects to expand the wages, benefits, work rules, services and policies summarized in this Handbook, we reserve the right to alter,

amend, reduce or discontinue any wage schedule, policy, procedure, work rule or benefit included in this Handbook. The failure of the Town to exercise any prerogative or function in a particular way shall not be considered a waiver of the Town's right to exercise such prerogative or function, or preclude it from exercising that prerogative or function in some other way.



EMPLOYEE HANDBOOK RECEIPT

Existing Employees

(Please Print)

Last Name

First Name

Middle Initial

I have received a copy of the Town of Ocean City's Employee Handbook and agree to abide by it. I understand that it supersedes in all respects any prior Handbook of the Town. I also understand that nothing in the Handbook in any way changes the at will status of my employment, nor does it create an express or implied contract of employment or warranty of benefits.

Employee's Signature

Date

Witness



EMPLOYEE HANDBOOK RECEIPT

New Employees

(Please Print)

Last Name

First Name

Middle Initial

I acknowledge that I have received a copy of the Town of Ocean City’s Employee Handbook and understand my responsibility to familiarize myself with, and abide by, its contents. I also understand that my employment is not for any definite period of time, and that nothing in this Handbook in any way creates an express or implied contract of employment or warranty of any benefits. I further understand that this Handbook is only a brief summary of benefits currently offered by the Town and an overview of some of its work rules, policies and procedures. I further understand that any and all of the rules, policies, procedures, wages and benefits referred to in this Handbook may be unilaterally amended, modified, reduced or discontinued at any time by the Town, in its judgment and discretion. I also agree that either the Town or I can terminate my employment-at-will at any time, with or without cause or notice.

Employee’s Signature

Date

Witness