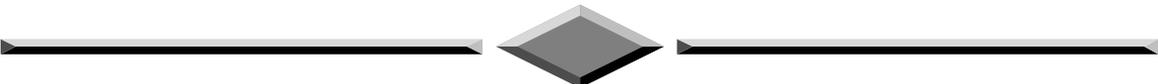


BENEFITS AND LEAVES HANDBOOK  
Of  
CREATIVE ALTERNATIVES,  
a California Corporation

Dated: August 17, 2015



Creative Alternatives' mission is to deliver a comprehensive therapeutic environment in order to provide a safe and nurturing atmosphere that promotes social-emotional growth and stability.

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## A. INTRODUCTION TO BENEFITS AND LEAVES HANDBOOK

Welcome to Creative Alternatives, a California Corporation (hereinafter, the “Agency”). We are happy to have you aboard. It is the responsibility of each employee to read and understand this Benefits and Leaves Handbook. If anything is not clear to you please ask for an explanation.

This Benefits and Leaves Handbook replaces and supersedes all prior policies and practices which have been given to employees, whether in writing or verbally, on the topics addressed in this handbook. The Agency retains the sole discretion to modify, delete or add to this handbook, in writing, at any time. When such amendments are made, each employee will be provided with a written statement of the amendment and will be required to acknowledge they have received and read the amendment. None of these policies or procedures can be amended, altered or modified in any way by oral statements, but can only be altered by a written statement issued by authorized management personnel.

**NOTHING IN THIS HANDBOOK CHANGES THE “AT-WILL” EMPLOYMENT RELATIONSHIP THAT EXISTS BETWEEN THE AGENCY AND ITS EMPLOYEES. THIS MEANS THAT EMPLOYMENT MAY BE TERMINATED AT ANY TIME FOR ANY LEGAL REASON BY EITHER THE EMPLOYEE OR THE AGENCY WITH OR WITHOUT PRIOR CAUSE OR NOTICE.** The at-will employment relationship may only be modified in a writing signed by the Executive Director of the Agency.

Thank you for joining the Agency.

## B. INTRODUCTION TO BENEFITS & LEAVES

### 1. Employee Classifications

Employees will be assigned by the Agency to one of the following classifications. An employee’s classification does not change unless and until the Agency informs the employee of the classification change, even though the employee may meet the definition of another classification or work beyond any initially stated period of time.

- a. Full-Time Employee. “Full-time employee” is defined as an employee who is regularly scheduled to work on a weekly basis for thirty (30) or more hours a week for a total of at least 1560 hours a year (including vacation hours). This definition includes employees who work at least 1560 hours a year but who are paid on a salary basis.
- b. Part-Time Employee. “Part-time employee” is defined as an employee who is regularly scheduled to work on a weekly basis for fewer than 30 hours a week.
- c. Temporary Employee. “Temporary employee” is defined as an employee who is hired on an interim basis to temporarily replace a worker, to supplement the work force, to assist in the completion of a specific project, or to work on an intermittent and/or unpredictable basis. Temporary employees may work any number of hours, but the employment assignments in this category are expected to last less than a year. Temporary employees include seasonal employees. Temporary employees may be hired directly by the Agency or through a temporary employment agency. A temporary employee may also be referred to as a “variable hour employee” for health insurance purposes.

### 2. No Benefits to Part-Time or Temporary Employees

Part-time and temporary employees are not eligible for any benefits or leaves unless the benefit or leave described in this Handbook specifically states otherwise or is required to be offered by law.

### 3. Eligibility Period

Before an employee may begin accruing or participating in a particular employee benefit, the employee must complete the eligibility period for that benefit or leave. “Eligibility period,” as used in

this Handbook, means that an employee has actively worked for the Agency for 60 days (including regular days off), unless a different eligibility period is specified in this Handbook or required by law for a particular benefit or leave.

Unless a benefit plan document or law precludes otherwise, any time spent working for the Agency as a temporary worker through a temporary employment agency will not count toward the eligibility period.

4. Reservation of Rights to Change Benefits and Leaves

The Agency reserves the right to add, change, or eliminate any benefit or leave at any time at the sole discretion of the Agency.

5. Seniority of Employment

Continued employment, particularly in a layoff situation, is NOT governed by longevity of employment. However, longevity of employment may be used to determine scheduling for vacations or other time-off benefits or continued employment as between two employees, all other factors between the employees being equal. Longevity of employment is determined from the employee's most recent date of hire or re-hire and is a measurement of active service.

6. Benefit Plans and Third-Party Contract Requirements

For some employee benefits, the eligibility requirements, limitations, extent of coverage, and the rights and obligations of the Agency and the employees are not only contained in this Handbook, but also in the specific benefit plan and third-party contracts and summaries. The benefit plans and third-party contracts for specific benefits govern over anything mentioned in this Handbook.

7. Definition of "Spouse" and "Dependents"

The term "spouse" and "dependents," as used below in the benefits and leave sections of this Handbook, includes a husband or wife as defined or recognized under state law for the purposes of marriage in the state where the employee was married, including same-sex marriage, and registered domestic partners. The term "dependents" includes the dependent children of the same-sex spouse or registered domestic partner. Same-sex spouses, registered domestic partners, and their dependent children are permitted to participate as an insured and/or receive benefits under a third party contract to the extent that the contract so permits.

8. Contact for Information

Contact the Human Resource Department to obtain all necessary enrollment and election forms, benefit plan summaries, or if there are any questions regarding benefits or leaves.

## C. EMPLOYEE BENEFITS

1. Eligibility For Benefits

- Only employees who work a minimum of 30 hours per week will be considered full-time employees. The Agency retains the sole discretion to determine issues of eligibility or interpretation of the terms and provision of all Agency benefits programs.
- The Agency reserves the right to cancel or change the benefits it offers to its employees. Agency sponsored benefits are governed by the plan document of each plan in effect at that time. Should a conflict exist between this Employee Handbook and the plan document, the plan document will prevail.

2. Vacation

- a. Vacation Accrual Rate. Full-time and part-time employees who have completed the 60 days eligibility period earn paid vacation according to their Benefit Schedule.
- b. Accrual Procedure. Employees earn an equal amount up to the maximum annual vacation accrual every pay period of active service, depending on hours worked. New employees begin to earn vacation on the first day of the first full pay period after they become eligible

to earn vacation. Likewise, any increase in the vacation accrual rate will occur on the first day of the first full pay period after the employee meets the service-time threshold associated with the increased vacation rate. Employees who begin or end employment in the middle of the year or who do not actively work a full year will accrue a prorated amount of vacation time for that year based on the time worked. Vacation accrual will not exceed the maximum amount indicated on their Benefit Schedule, regardless if the number of hours the employee works in a week or a year.

- c. No Vacation Accrual During Leaves. Employees do not accrue vacation while on unpaid leaves of absence if no vacation or sick time is being used in conjunction with the leave.
  - d. No Use of Pre-Earned Vacation. An employee may not take vacation time off in advance of what he or she has earned at the time the vacation is taken.
  - e. Calculation of Vacation Pay. A day's worth of vacation equals the number of regular hours the employee is normally scheduled to work. Vacation pay is based on the employee's regular hourly wage or salary. Overtime, bonuses, and other extra pay are not used when earning and calculating vacation pay.
  - f. Scheduling of Vacations. Any employee requesting vacation is required to submit a "Vacation Request Form" at least 30 days in advance of the vacation. Requests for using vacation time off will be honored whenever possible, however, the Agency reserves the right, to the extent allowed by law, to schedule use of vacation time off so as not to impair the Agency's business needs.
  - g. Unused Vacation Cap. Employees who have unused vacation on the books carry over all unused vacation from year to year, until it is used. However, there is a cap on the amount of vacation an employee may accrue. No employee may accrue vacation once he or she has accumulated **240 hours** of unused vacation on the books.
  - h. Reservation of Right to Require Vacation. Except as prohibited by law, the Agency may require an employee to take a vacation for unused vacation time on the books. Normally the Agency will give the employee advance notice. This does not affect the requirement of the employee to use vacation while on certain leaves of absence as described in this Handbook.
  - i. Employee Requests for Vacation Cash Out. Due to unforeseen financial circumstances, active employees may apply for one cash out against their annual vacation accrual during the months from January through October each calendar year. Up to 1/3 eligible accrued vacation hours may be cashed out at the discretion of the Agency. No cash payouts will be made during the months of November or December of any year unless it is due to resignation or termination. See Request to Cash Out Accrued Vacation form. The approval or disapproval will be determined at the Executive Director's discretion.
  - j. Unused Vacation Paid Upon Termination. All earned but unused vacation time, prorated based on the number of days worked in the year up to the date employment ends, will be paid out to the employee upon cessation of employment.
3. Holiday Pay – Please refer to the applicable Benefit Schedule.
- a. Holiday Pay. Full-time and part-time employees are eligible to receive holiday pay when a holiday is observed by the Agency. Unless the law precludes otherwise, employees who are on a leave of absence for any reason, included legally mandated leaves, receive no pay for holidays. Employees who are not entitled to holiday pay will receive an unpaid day off when the Agency observes the holiday.
  - b. Holidays Falling on Employee's Day Off. Employees who otherwise qualify for holiday pay, but whose regularly scheduled day off falls on the day the Agency observes a holiday, will still receive holiday pay.
  - c. Holiday Pay Rate for Hourly Employees. An employee's holiday pay will equal his or her regular straight-time hourly rate times the number of hours (up to eight hours a day) he or

she is regularly scheduled to work. Holiday pay does not count toward hours worked or the regular rate of pay for overtime purposes.

- d. Work During a Holiday. If an employee qualifies for holiday pay and then works on the holiday, he or she will receive the holiday pay in addition to any wages earned in accordance with normal pay requirements. Hence, whether or not an employee receives holiday pay, an employee is only paid at his or her non-overtime, regular rate for working on a holiday unless the employee actually works overtime.
- e. Holiday Observed During Vacation or Paid Sick Leave. If a holiday is observed during the time an employee is on vacation or paid sick leave, he or she will receive the holiday pay and not have his or her vacation or paid sick leave charged for the day.
- f. Holiday Pay for Salaried Employees. Salaried employees will receive the day off during holidays, but will not receive any pay in addition to the salary, even if the employee happens to work on the holiday.

4. Sick Hours – See applicable Benefit Schedule.

Healthy Workplaces/Healthy Families Act of 2014 Paid Sick Leave (AB 1522)

An employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the beginning of employment is entitled to paid sick leave.

Paid sick leave accrues at the rate of one hour per every 30 hours worked, paid at the employee's regular wage rate. Accrual shall begin on the first day of employment or July 1, 2015.

Usage: An employee may begin using accrued paid sick leave after the completion of 60 days of employment.

An employee may request paid sick days in writing or verbally. An employee is not required to find a replacement as a condition of using paid sick days.

An employee can take paid sick leave for employee's own or family member for preventive care of an existing health condition or for specified purposes if they are a victim of domestic violence, sexual assault or stalking.

Family member means a child, parent, spouse, registered domestic partner, grandparent, grandchild or sibling. Parent/child relationships include birth, adoption, foster child, stepchild, legal ward or one for whom employee stands in loco parentis.

For more information please see the displayed labor poster in your facility, the Human Resource Department or go to the Department of Labor Statistics enforcement website.

- a. Supplementing SDI or WC. Paid sick leave may be used to supplement the employee's income up to the employee's regular wages while the employee is applying for or is currently receiving State Disability Insurance (SDI) benefits or workers' compensation benefits.
- b. Pay for Unused Sick Leave. Employees may not receive cash in lieu of taking sick leave. No employee may accrue sick time once he or she has accumulated 720 hours unused sick time on the books.
- c. Effect of Termination of Employment. No payment for unused sick leave will be made when an employee leaves employment with the Agency for any reason.

5. Voluntary Sick Leave Transfer

To assist fellow employees in a time of need, employees may donate sick hours to another employee who has depleted their sick and vacation hours, for use for their own serious health condition or to care for their spouse, dependent or parent. Donation of time may only be made in hours. The approved donation will be deducted from the donor's sick account balance and credited to the identified recipient.

## Guidelines:

- Recipient receiving the sick hours transfer must have exhausted all accrued sick and vacation time on the books.
- Recipient must be employed a minimum of one year, be in good standing and not on probation.
- Recipient must have a current California Family Rights Act (CFRA)/Family Medical Leave Act (FMLA) paperwork on file or if not eligible for CFRA/FMLA must have a Medical Certification form verified by the HR Director.
- The illness of the recipient, their spouse, dependent or parent would need to meet the same definition of a serious health condition under CFRA/FMLA.
- Donors who wish to transfer sick hours must retain a minimum of 70 hours after the transfer.
- Transfer amounts shall be limited to the number of actual hours needed and used by the recipient.
- Recipient may not transfer sick hours to another employee upon separation of employment.

### 6. Insurance - Dental

Full-time employees who have completed an eligibility period of 60 days may participate in the Agency sponsored group dental insurance plan. Employees who participate in the plan may also add their dependents onto the plan. Coverage will start on the first day of the next month after the employee has been employed for 60 days as a full-time employee. The employee and dependents (if applicable) must submit all application materials on time and meet the insurance provider's enrollment requirements; otherwise, insurance coverage may be delayed until the next open enrollment period. The Agency currently pays 50% of the monthly premiums for the employee and dependents. The employee is required to pay, on the first and second pay period of each month through automatic payroll deduction, the balance of the premium cost per month for the employee and dependent coverage. An employee (or dependent(s), as the case may be) will lose insurance coverage if the employee fails to remain actively employed as required by the insurance contract, or fails to make any premium payments (even if the employee is on a leave of absence) when due, or fails to remain eligible for coverage pursuant to the terms of the insurance contract.

### 7. Insurance - Health

Participation. Employees who are hired as or whose status changes to "full-time employee," as defined by the Affordable Care Act, may participate in the group health insurance plan sponsored by the Agency. Employees who participate in the plan may also add their dependents onto the plan. If coverage is timely elected, coverage will start on the first day of the next month after the employee has been employed for 60 days as a full-time employee. The employee and dependents (if applicable) must submit all application materials on time and meet the insurance provider's enrollment requirements; otherwise, insurance coverage may be delayed until the next open enrollment period. The Agency currently pays 50% of the monthly premiums for the employee and dependents. The employee is required to pay, on the first and second pay period of each month through automatic payroll deduction, the balance of the premium cost per month for the employee and dependent coverage. An employee (or dependent(s), as the case may be) will lose insurance coverage if the employee fails to remain actively employed as required by the insurance contract, or fails to make any premium payments (even if the employee is on a leave of absence) when due, or fails to remain eligible for coverage pursuant to the terms of the insurance contract.

Temporary Employees. Temporary employee who is hired through a temporary employment agency will be offered health insurance through the temporary employment agency if and as required by the Affordable Care Act ("ACA").

### 8. Insurance - Life

Full-time employees who have completed an eligibility period of 60 days may participate in

the Agency sponsored term life insurance plan. The Agency pays the premium for the employee.

9. Insurance – Vision

Full-time employees who have completed an eligibility period of 60 days may participate in the Agency sponsored group vision insurance plan. Employees who participate in the plan may also add their dependents onto the plan. Coverage will start on the first day of the next month after the employee has been employed for 60 days as a full-time employee. The employee and dependents (if applicable) must submit all application materials on time and meet the insurance provider’s enrollment requirements; otherwise, insurance coverage may be delayed until the next open enrollment period. The Agency currently pays 50% of the monthly premiums for the employee and dependents. The employee is required to pay, on the first and second pay period of each month through automatic payroll deduction, the balance of the premium cost per month for the employee and dependent coverage. An employee (or dependent(s), as the case may be) will lose insurance coverage if the employee fails to remain actively employed as required by the insurance contract, or fails to make any premium payments (even if the employee is on a leave of absence) when due, or fails to remain eligible for coverage pursuant to the terms of the insurance contract.

9. Medical Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) and the California Cal-COBRA law give qualified employees and their dependents the opportunity to continue coverage under certain medical plans sponsored by the Agency when a “qualifying event” would normally result in the loss of coverage. A “qualifying event” is (a) the voluntary or involuntary termination of employment of the employee, other than for “gross misconduct”; (b) the reduction in hours of employment of the employee; (c) the death of the employee; (d) the divorce or legal separation between employee and spouse; (e) the employee becomes entitled to Medicare; or, (f) the employee’s dependent child ceases to be an “eligible dependent” under the health plan. COBRA and/or Cal-COBRA can last up to thirty-six months from the date of the qualifying event, depending on the situation. Under both COBRA and Cal-COBRA, the qualified beneficiary pays the full cost of coverage at the current group rates plus an administration fee. The Agency will send a written notice in the mail describing COBRA rights when an employee or his or her dependent becomes covered under the Agency’s health insurance plan, as required by law. The Agency will also send a written notice in the mail when the Agency is aware of a qualifying event, as required by law. The COBRA and Cal-COBRA notices should be read carefully as they contain important information about the employee’s and Agency’s rights and obligations under COBRA and Cal-COBRA, and such notices will govern over any information contained in this Employee Handbook.

10. Retirement 403(b) Plan

Employees who work 20 hours or more are eligible for the Agency’s 403(b) plan. One plan is tax deferred which allows eligible employees to contribute a portion of their income on a pre-tax basis. The other plan is a Roth elective deferral.

11. Pension 401(a) Plan

After one year of service the employee is eligible to enroll in the Agency 401(a) pension plan. ***It is the employee’s responsibility to sign up.*** The Agency contributes the following amounts to those participating in the plan, depending on the years of service at the time the contribution is to be made:

<u>Years of Service</u>	<u>Agency Contribution</u>
Beginning 2nd year to the end of the 4th year	2%
Beginning of 5th year to end of 9th year	5%
Beginning of 10th year to end of 19th year	7%
Beginning of 20th year and thereafter	10%

Also, the Agency will match employee contributions up to 3.5% in the **403(b) Plan**. The employee vests in the Agency contributions by completing years of eligible service as defined in the pension plan summary description(s). This is a brief description of plan eligibility; please see the Accounting Supervisor.

## D. LEAVES OF ABSENCE

### 1. Alcohol or Drug Rehabilitation Leave

Pursuant to Labor Code section 1025, and so long as the Agency has 25 or more employees, any employee who voluntarily requests that he or she be admitted to a drug or alcohol rehabilitation program shall be given an unpaid leave to do so for a period prescribed by the employee's doctor so long as the leave does not impose an undue hardship on the Agency. The Agency does not pay for any part of the services under any rehabilitation program, whether recommended by the Agency or not. The employee may use any available paid sick leave or vacation benefits during this unpaid leave.

In no event shall the Agency be precluded from terminating or otherwise disciplining an employee if, because of the employee's current use of alcohol or drugs, the employee is unable to perform his or her duties, the employee has breached Agency rules, or the employee cannot perform his or her duties in a manner which would not endanger his or her health or safety or the health or safety of others.

Reasonable efforts shall be made to safeguard the privacy of the employee as to the fact that he or she has enrolled in an alcohol or drug rehabilitation program.

### 2. Bereavement Leave

Full-time employees, who have been employed one year, may take up to 3 days of paid bereavement leave per loss of qualified relative in any one calendar year to arrange and/or attend the funeral. If more than 3 days of paid bereavement leave is needed, then a request for use of sick/vacation time or unpaid time off may be made, which will be granted at the discretion of the Agency. Paid bereavement leave may only be used in conjunction with the death of the employee's spouse, child, parent, sibling, grandparent, grandchild, or one of the foregoing based on a current step, in-law, or registered domestic partner relationship. The employee may be required to furnish satisfactory evidence to support the leave.

### 3. FMLA/CFRA Leave

Unpaid family care and medical leave is available to employees who meet all the requirements as contained in the federal Family & Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA) leave laws. The reference below to FMLA/CFRA may include either FMLA or CFRA, or both leaves at the same time, as applicable.

- a. Eligibility. An employee is eligible for FMLA/CFRA leave if all of the following criteria are met, along with all other FMLA/CFRA requirements:
  - (1) The employee has been employed by the Agency for an aggregate total of 12 months or more. (Any time spent on non-FMLA/CFRA leave will count toward the 12 months of service.)
  - (2) The employee has worked at least 1,250 hours during the previous 12 months. (Those returning from military leave with the Reserves or National Guard will be given a credit for the hours the employee would have worked, based on the employee's last work schedule.)
  - (3) The employee is employed at a worksite where the Agency maintains on the payroll (as of the date of the leave request) at least 50 employees within 75 miles (road miles) of the worksite where the employee requesting the leave is employed.
- b. Reasons Allowed for FMLA/CFRA. The following reasons will allow an employee to go on a FMLA/CFRA leave:
  - (1) Birth of a child of the employee;
  - (2) Placement of a child with the employee for adoption;
  - (3) Placement of a child with the employee for foster care;

- (4) To care for the employee's child, spouse, or parent, who has a "serious health condition";
  - (5) The employee's own "serious health condition," which makes the employee unable to perform his or her job. Under FMLA (but not CFRA), "serious health condition" includes disabilities related to pregnancy and childbirth. Time-off due to a pregnancy disability does not count against CFRA, as explained below;
  - (6) Under FMLA (but not CFRA), to address a qualifying military "exigency" (as defined in 29 CFR section 825.126) related to the employee's spouse, son, daughter, or parent; or,
  - (7) Under FMLA (but not CFRA), to care for a seriously injured or ill soldier or veteran if the soldier or veteran is the employee's spouse, son, daughter, parent, or nearest blood relative.
- c. Definition of Family Members.
- (1) Spouse. "Spouse" means a husband or wife as defined or recognized under state law for the purposes of marriage in the state where the employee was married, including "common law" marriage and same-sex marriage.
  - (2) Parent. "Parent" means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the employee when the employee was a child. This term does not include parents "in law".
  - (3) Child. "Child" (including the terms "son" or "daughter") means a biological, adopted, or foster child, a stepchild (including child of a same sex spouse), a legal ward, or a child of a person standing in loco parentis, who is either (1) under age 18 or (2) over 18 and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence.
- d. Serious Health Condition. "Serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either of the following:
- (1) Inpatient care in a hospital, hospice, or residential health care facility; or,
  - (2) "Continuing treatment" or continuing supervision by a health care provider.
- e. Continuing Treatment. "Continuing treatment," means one of the following:
- (1) A period of incapacity (that is, an inability to work, attend school, or perform other regular daily activities due to the serious health condition, treatment for it, or recovery from it) of more than 3 consecutive days and any subsequent treatment or period of incapacity relating to the same condition that involves either (a) treatment two or more times by a health care provider or (b) treatment by a health care provider on at least one occasion that results in a "regimen of continuing treatment." The first treatment must be within 7 days of the onset of incapacity, and the second visit must be within 30 days and the health care provider must determine the second visit was necessary, unless extenuating circumstances exist.  
  
A "regimen of continuing treatment" includes, for example, a course of prescription medication (e.g., an antibiotic) or therapy requiring special equipment to resolve or alleviate the health condition (e.g., oxygen). A regimen of continuing treatment that includes the taking of over-the-counter medications such as aspirin, antihistamines, or salves; or bed-rest, drinking fluids, exercise, and other similar activities that can be initiated without a visit to a health care provider, is not, by itself, sufficient to constitute a regimen of continuing treatment for purposes of FMLA/CFRA leave.
  - (2) Under FMLA only, incapacity due to pregnancy or prenatal care.
  - (3) Incapacity due to a "chronic serious health condition". "Chronic serious health condition" means a condition that requires periodic doctor's visits for treatment that continue over an extended period of time and that may cause episodic rather than

- continuing incapacity, such as asthma, diabetes, and epilepsy. Under FMLA, two visits to the doctor per year for the condition will meet the periodic visit requirement.
- (4) Long-term incapacity due to an untreatable condition. The person must be under continuing supervision of a health care provider, although not receiving treatment, such as Alzheimer's disease, severe stroke, terminal stages of a disease.
  - (5) Incapacity due to multiple treatments either for (a) surgeries following an accident or (b) for a condition that would result in absences of 3 days or more if there were no treatments, such as radiation; chemotherapy, kidney dialysis.
- f. Military Exigencies. In order to qualify for FMLA leave to address a military "exigency", the employee's spouse, son, daughter, or parent must be an active or retired member of the Armed Forces, Reserves, or National Guard. In addition, the soldier must be on covered active duty in a foreign country, have been notified of an impending call to covered active duty to a foreign country, or ordered to covered active duty to a foreign country as defined by the regulations. A military exigency means one of the following, as more fully set forth at 29 CFR 825.126, which arises and/or is necessitated due to the soldier's covered active duty or call to covered active duty status:
- (1) Short-Notice Deployment. To address any issue that arises from the fact that a soldier is notified of an impending call or order to covered active duty seven or less calendar days prior to the date of deployment. Leave taken for this purpose can be used for a period of seven calendar days beginning on the date the soldier is notified of the impending call or order to covered active duty.
  - (2) Military Events and Related Activities. To attend any official ceremony, program, or event sponsored by the military; and to attend family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross.
  - (3) Childcare and School Activities. To provide urgent, immediate temporary childcare, or to arrange for alternative childcare, or to enroll a child in or transfer a child to a new school or day care facility, or to attend meetings with staff at a school or a daycare facility regarding disciplinary measures, parent-teacher conferences, or meetings with school counselors, etc., all for the soldier's minor-aged biological, adopted, or foster child, stepchild, legal ward, or adult disabled dependent child, or child from whom the soldier stands in loco parentis.
  - (4) Financial and Legal Arrangements. To make or update financial or legal arrangements to address the soldier's absence while on duty, such as creating powers of attorney, transferring bank account signature authority, enrolling in DEERS, obtaining military identification cards, creating a will or living trust, and acting as the soldier's representative before a governmental agency regarding military service benefits while the soldier is on duty and for a period of 90 days following the termination of the soldier's covered active duty status.
  - (5) Counseling. To attend counseling for the soldier, the soldier's child, stepchild, legal ward, or adult disabled dependent child.
  - (6) Rest and Recuperation. To spend time with a soldier who is on short-term, temporary, rest, and recuperation leave during the period of deployment. Eligible employees may take up to 15 days of leave for each instance of rest and recuperation.
  - (7) Post-Deployment Activities. To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of 90 days following the termination of the soldier's covered active duty status; and to address issues that arise from the death of a soldier, such as meeting and recovering the body of the soldier and making funeral arrangements.
  - (8) Parental Care. To provide care on an urgent, immediate need basis (but not on a routine, regular, or everyday basis) or to arrange for alternative care for a parent of

the soldier when the parent is incapable of self-care; or admit to or transfer the parent to a care facility or to attend meetings with staff at a care facility, such as meetings with hospice or social service providers.

- (9) Additional Activities. To address other events which arise out of the soldier's covered active duty or call to covered active duty status provided that the employer and employee agree that such leave shall qualify as an exigency, and agree to both the timing and duration of such leave.
- g. Seriously Injured or Ill Soldier or Veteran. In order to take FMLA leave to care for a seriously injured or ill soldier or veteran, all of the following conditions must be met:
  - (1) The soldier must be either of following:
    - (i) A member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy for a "serious injury or illness," and who is either actively serving, or in outpatient status, or on the temporary disability retired list; or,
    - (ii) A veteran who is undergoing medical treatment, recuperation, or therapy for a "serious injury or illness" and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.
  - (2) "Serious injury or illness" for soldier care leave means a serious injury or illness incurred in the line of duty on active duty that may render the soldier unable to perform the duties of the soldier's office, grade, rank or rating. "Serious injury or illness" also includes an injury or illness that existed prior to active duty and was aggravated in the line of duty on active duty and that may render the soldier unable to perform the duties of the soldier's office, grade, rank or rating.

In the case of veteran, the "serious injury or illness" must have been incurred in the line of duty on active duty and the injury or illness manifested itself either before or after the soldier became a veteran, and is:

    - (i) a continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the veteran unable to perform the duties of the veteran's office, grade, rank, or rating; or,
    - (ii) a physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and such VASRD rating is based, in whole or in part, on the condition precipitating the need for military caregiver leave; or,
    - (iii) a physical or mental condition that substantially impairs the covered veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service, or would do so absent treatment; or,
    - (iv) an injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.
  - (3) The employee must be the soldier's child, spouse, parent, or nearest blood relative.
- h. Duration of Leave. An employee may not exceed the number of weeks listed in the following chart for either FMLA or CFRA in any "Twelve Month Period". The Twelve Month Period is a rolling twelve-month look-back period measured BACKWARD from each time the employee takes FMLA/CFRA.

FMLA and CFRA run at the same time according to the following chart if both FMLA and CFRA are checked for the same leave reason.

Reason For Leave	Duration	FMLA	CFRA
Birth, Adoption, Foster care	12 weeks	✓	✓
Serious health condition of parent, child, spouse	12 weeks	✓	✓
Serious health condition of employee	12 weeks	✓	✓
Pregnancy disability of employee	12 weeks	✓	
Qualifying military exigency	12 weeks <sup>1</sup>	✓	
Care for seriously injured or ill soldier <sup>2</sup>	26 weeks <sup>3</sup>	✓	

<sup>1</sup> The amount of this leave may be more restricted depending on the reason for its use, as described above in the paragraph entitled “Military Exigencies”.

<sup>2</sup> The employee’s right to use 26 weeks to care for an injured soldier (including veteran) is allocated per soldier, per injury. An employee may only use up to 26 weeks of leave for a single injury (or combination of injuries that exist at the same time). The employee may use another 26 weeks of leave on the same soldier for a new injury sustained after the employee has recovered from his or her prior injuries. The employee may also take 26 weeks to care for another soldier, even if the employee already took FMLA leave in the same calendar year for a different soldier.

<sup>3</sup> Regardless of how FMLA is tracked for any other FMLA leave situation, when FMLA is used to care for a recovering member of the Armed Services, the “12 Month Period” is measured from the first day the employee takes FMLA to care for the service member.

Under both FMLA and CFRA, leave to bond with a baby or adopted child must conclude within one year of the birth or placement of the child with the employee.

- i. Combined Leave for Spouses. Under FMLA, if a husband and wife are both employed by the same employer (even though they may be at different locations more than 75 miles apart) and both qualify for family care leave, the married employees are limited to a combined FMLA leave of 12 workweeks in a 12 month period for the following purposes:
  - (1) the birth of the employee’s child, including caring for and bonding with the child afterwards, or,
  - (2) the placement of a child with the employee for adoption or foster care, including caring for and bonding with the child afterwards.
  - (3) the care of a seriously ill parent.
  - (4) the care of an injured soldier or veteran, in which case the combined FMLA leave total is limited to 26 workweeks for a single 12-month period.

Under CFRA, the total combined CFRA leave of “parents” of the child, whether the parents are married or not, is limited to 12 workweeks in a 12 month period if the leave is being used for the following purposes:

- (1) the birth of the employee’s child, including caring for and bonding with the child afterwards, or,
- (2) the placement of a child with the employee for adoption or foster care, including caring for and bonding with the child afterwards.

- j. Coordination of Leaves between FMLA and CFRA. Any leave taken under the Federal Medical Leave Act (FMLA) will count against the employee’s allowed leave under the California Family Rights Act (CFRA) and vice versa, except as follows:
  - (1) Leaves due to pregnancy related disabilities only count against FMLA.
  - (2) Leaves to handle qualifying military exigency only count against FMLA.

- (3) Leaves to care for a seriously injured or ill soldier or veteran only count against FMLA.
- k. Pregnancy-Related Disabilities. The CFRA excludes disabilities related to pregnancy and childbirth as one of the reasons allowed for leave under the CFRA. But pregnancy disability is one of the reasons allowed for leave under the FMLA. Therefore, leave taken under the California Pregnancy Disability Leave (PDL) law will count against the leave time allowed under the FMLA but not under the CFRA. Once PDL does not apply, the employee will be allowed up to 12 weeks of leave under the CFRA for a non-pregnancy disability event, assuming the employee meets all the requirements to take leave under the CFRA.
- l. Concurrent Use of Other Accrued Paid Leave. An employee who takes FMLA/CFRA leave may use all available Agency-provided paid leave (such as sick leave or vacation) to the extent the reason for the leave qualifies for using the paid leave. However, if the employee is receiving wage replacement benefits from workers' compensation insurance, government-provided disability or leave program (such as SDI or Paid Family Leave), or a Agency-sponsored private disability insurance policy while on FMLA/CFRA, the Agency will not require the use of Agency-provided paid leave (such as vacation or sick leave), but will, at the employee's option, coordinate the payment of Agency-provided paid leave with the other wage replacement benefits so that the employee will receive up to a full day's wages for time missed from work for as long as possible.
- m. Intermittent Use of FMLA/CFRA. Employees may take FMLA/CFRA leave intermittently, i.e., in short blocks of time or by reducing their normal weekly or daily work schedule. Leave must be taken in increments equal to one hour or the shortest period of time that the payroll system uses to account for absences, whichever is smaller. However, when FMLA and/or CFRA leave is being taken for the birth or placement of a child for adoption or foster care, and where no serious health condition is present, the Agency may limit intermittent FMLA/CFRA leave to periods of not less than two weeks.
- n. Health Insurance While on FMLA/CFRA Leave. Assuming the employee was on the health insurance plan prior to FMLA/CFRA, the employee will remain on the health insurance plan during FMLA and/or CFRA, and the Agency will continue paying its share of the cost of health care coverage, as was being done prior to FMLA/CFRA. The employee is required to continue making the employee's share of any premium payments as such was being done prior to the FMLA/CFRA leave. If the employee fails to pay his or her share of the premium payment within 30 days of the due date, insurance will be stopped retroactive to the date the premium was due. The employee will receive a notice at least 15 days prior to the insurance lapsing warning the employee that the premium has not been paid.
- To the extent FMLA and CFRA are not taken in conjunction with each other, the Agency's obligation to pay its share of the insurance premiums during FMLA and/or CFRA shall be limited to twelve weeks in a twelve month period pursuant to the FMLA and CFRA regulations. Thereafter, the employee will be offered to continue insurance at his or her own cost through COBRA, if and as applicable, or via any other conversion provision allowed by the insurance contract, if any.
- o. Reimbursement for Agency's Share of Health Insurance Premiums. The employee must repay the Agency's share of health insurance premiums which the Agency pays during FMLA/CFRA if the employee fails to return to work after FMLA/CFRA ends unless the employee fails to return to work due to (1) the continuation, recurrence, or onset of a serious health condition of the employee, the employee's family member, or soldier which would otherwise entitle the employee to leave under FMLA and/or CFRA, or (2) other circumstances beyond the employee's control, as defined by the FMLA. Reimbursement will not be sought for periods of time paid sick leave or vacation was used in conjunction with the leave. "Return to work" means that the employee returned to work for at least 30 calendar days.

- p. Key Employees. Salaried employees who are among the highest paid ten percent (10%) of all employees within 75 miles of the salaried-employee's worksite are "key" employees for FMLA/CFRA purposes. Key employees will not be denied family medical leave, but reinstatement may be denied if reinstatement would cause substantial and grievous economic injury to the Agency. This could occur for example, if permanent replacement of the key employee's position was unavoidable and the cost of then reinstating the employee would threaten the economic viability of the Agency. If a key employee gives the Agency sufficient advance notice of intent to take family medical leave, the Agency will inform an employee, prior to the beginning of the leave, that he or she is a key employee for family care leave purposes and that the Agency intends to deny reinstatement if the Agency determines that reinstatement would cause substantial and grievous economic injury to the Agency. If a key employee begins family medical leave without providing advance notice to the Agency, then the Agency will provide the employee with notice of its intent not to reinstate the employee, but shall also give the employee a reasonable opportunity to return early from the leave to avoid not being reinstated.
- q. Return from Leave. An employee who has taken FMLA or CFRA leave will be returned to his or her original or comparable position unless either (1) the employee, for reasons unrelated to the employee's taking leave, would not otherwise have been employed at the time of the requested reinstatement; or (2) the employee is a salaried "key" employee as defined by the regulations and reinstatement will cause substantial and grievous economic injury to the Agency's operations. If the circumstances of an employee's leave change, and the employee is able to return to work earlier than expected, the employee must notify the Agency at least five work days prior to the date the employee intends to report for work.
- r. Response Notice. When an employee requests FMLA/CFRA, a notice will be provided to the employee with 5 days specifying (1) whether or not the employee is eligible for the leave, (2) whether or not the leave will be designated as FMLA/CFRA leave, (3) how much leave is available, (4) the reason the employee is not eligible for leave, if such is the case, (5) any additional information the employee must provide, and (6) the employees' rights and responsibilities under FMLA/CFRA.
- s. Other Policies Applicable to FMLA/CFRA. Employees must refer to the section of the Employee Handbook entitled "Provisions Applicable to All Leaves" for information about other policies that apply to FMLA/CFRA.
- t. Unlawful Acts by Employers. FMLA/CFRA makes it unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided under FMLA/CFRA; or to discharge or discriminate against any person for opposing any practice made unlawful by FMLA/CFRA or for involvement in any proceeding under or relating to FMLA/CFRA.
- u. Enforcement. An employee may file a complaint with the federal U.S. Department of Labor, the California Department of Fair Employment and Housing, or may bring a private lawsuit against an employer for violating the employee's right to use FMLA/CFRA. FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.
- v. Contact Person. If you want more information regarding your eligibility for a leave and/or the impact of the leave on your employment and benefits, please contact Human Resource Department at 668-9361.

#### 4. Jury Duty and Witness Leave

Pursuant to Labor Code section 230, employees will be granted an unpaid leave of absence if called for jury duty or subpoenaed to appear as a witness in a legal proceeding if the jury duty or subpoena conflicts with the employee's work schedule. If employed one year or more, employees may receive up to 40 hours of pay while serving on a jury during any 12-month period. The remainder of any jury duty leave will be unpaid. Any pay provided under this policy shall be reduced by the amount of jury duty pay (other than travel expenses) received by the employee from the government,

proof of which must be presented to the Agency. Any hours missed after 40 hours, the employee may use vacation time or time off without pay.

An employee receiving a jury duty notice or witness subpoena should inform his or her supervisor immediately because it may be necessary to rearrange the work schedules during the employee's absence from work. Evidence of jury duty attendance must be presented to the Agency. The employee should continue to report for work when jury duty does not conflict with the employee's work schedule. An employee should also report to work if at least one-half of the employee's scheduled work hours remain after the employee is excused on any particular day from jury duty.

5. Military Leave

Any employee who performs service in the Armed Forces of the United States or the California National Guard or Naval Militia will be granted an unpaid leave of absence and reinstatement to work in accordance with the applicable provisions of California and federal law. Employees needing military leave are required to notify their supervisors as soon as they become aware of the applicable leave dates, unless military necessity prevents such notice or it is otherwise impossible or unreasonable. Benefits and insurance will be administered as set forth in the section of the Handbook entitled "Provisions Applicable to all Leaves". The request for reinstatement and the return to work after service ends needs to occur as set forth by California and federal law. While the Agency will make every effort to reinstate the employee after service ends, the Agency reserves the right to refuse reinstatement as allowed by law.

6. Miscellaneous Mandated Leaves

All employees, regardless of their length of service with the Agency, have the legal right, after giving reasonable notice, to take time off from work if he or she is participating in one of the following activities:

a. Military Spouse Leave

Pursuant to California Military and Veterans Code section 395.10, during periods of conflict, as defined by section 395.10, any employee who is a spouse of a member of the Armed Forces, National Guard, or Reserves (hereinafter, "veteran") who is on furlough from being deployed during a period of military conflict may have up to 10 days unpaid leave in order to spend time with the veteran. The spouse must be working twenty or more hours a week and the request for leave must be given within 2 days of the spouse receiving official notice that the veteran will be on furlough. The spouse must submit written documentation to the Agency certifying that the veteran will be on furlough from deployment during the time the leave is requested. This leave applies so long as the Agency has 25 or more employees. This leave does not apply to a soldier's leave following boot camp. The leave also does not apply to a member of the Armed Forces returning from a base in a non-war zone, like Germany, unless the soldier is a member of the National Guard or Reserves.

b. Victims Leave

Pursuant to Labor Code sections 230 and 230.2, employees who are victims of domestic violence, sexual assault, or certain felonies may have unpaid time off to attend certain judicial proceedings. In addition, pursuant to Labor Code section 230.1 (if employer has 25 or more employees), a victim of domestic violence or sexual assault may take unpaid time off to seek certain medical or psychiatric care and to take action to secure his or her safety. The employee must give reasonable advance notice of the need for time off, if feasible, and proof for the need for the leave of absence. All requirements of Labor Code sections 230, 230.1, and 230.2 must be met in order to be granted time off. Time off will be unpaid; however, an employee may elect to use paid sick/vacation during the leave.

7. Paid Family Leave Law

Pursuant to California's Paid Family Leave (PFL) law, employees may apply to the State of California for wage-loss payments during the time an employee is off work to provide care for a sick parent, parent-in-law, child, spouse or domestic partner, grandparent, grandchild, or sibling of the employee, or to bond with a new born or adopted child. **Please understand that California's "Paid Family Leave" is not the same as the federal Family Medical Leave Act (FMLA) or California's Family Rights Act (CFRA), both of which only apply if the employer has 50 or more employees.**

An employee who qualifies for payments under PFL may receive up to fifty-five percent (55%) of his or her lost wages for up to six weeks in a 12-month period. Payments under PFL do not begin until 7 days after a qualified employee applies for PFL benefits. The cost of providing PFL benefits is covered solely by employees paying taxes to the State of California.

**PFL does not create a separate right to be off of work.** PFL does not provide job protection or the right to return to work. In order to have permission to be off work, the Employee must take leave pursuant to an Agency-provided leave of absence (such as vacation, sick leave, or unpaid medical leave or discretionary leave) or a legally-required leave of absence (such as FMLA or CFRA).

If the employee wishes, the Agency will coordinate the use of paid sick leave and vacation with PFL benefits so that the employee will receive a full day's wages for as long as possible. Vacation may be used for any reason, but sick leave may only be used for absences related to medical care.

Please refer to the EDD pamphlet DE 2511 for information about PFL.

8. Pregnancy Disability Leave (PDL)

- a. Eligibility. Pursuant to California Government Code section 12945, any employee who is disabled on account of pregnancy, childbirth, or related medical condition is eligible for and will be granted an unpaid "Pregnancy Disability Leave" ("PDL") pursuant to the provisions below.
- b. Duration of Leave. PDL will be for the duration of the disability, but in no case longer than four months. "Four months" means the number of days the employee would normally work within 17 1/3 workweeks. For an employee who works 8 hours for 5 days per week, "four months" means 88 work days (rounding up), based on an average of 22 working days per month for four months. For employees who work more or less than five days a week, or who work on alternative work schedules, the number of working days which constitutes "four months" is calculated on a pro rata or proportional basis. For example, an employee who normally works 8 hours for 6 days per week, "four months" means 104 workdays of leave entitlement. If the employee is taking PDL intermittently on an hourly basis, "four months" of PDL will need to be converted to an hourly amount. PDL may be taken all at once or intermittently at different times throughout the disability period. PDL must be taken in increments of at least one hour or the shortest period of time that the Agency uses to account for other absences, whichever is smaller.
- c. Reasons for Leave. Time off for PDL will be granted, as required by the employee's doctor, for morning sickness, prenatal or postnatal care, bed rest, gestational diabetes, pregnancy-induced hypertension, preeclampsia, post-partum depression, childbirth, loss or end of pregnancy, or recovery from childbirth, and any other disability on account of pregnancy, childbirth, lactation, or related medical condition are all covered by PDL. Any absence due to one of the conditions described above will be counted against the employee's allotment of PDL.
- d. Transfer on Employee's Request to Less Strenuous or Hazardous Position. Pursuant to California Government Code section 12945, if an employee is affected by pregnancy or a pregnancy-related medical condition, the employee may request to be temporarily transferred to a less strenuous or hazardous position or be temporarily assigned less strenuous or hazardous duties if such is available and reasonable, and then only if the transfer is medically advisable pursuant to the employee's doctor. If the temporary

position or job duties are significantly different than the employee's original job, then the employee will be paid at the rate that applies to the temporary position or job duties.

- e. Transfer on Agency's Request to Accommodate Intermittent Leave. If an employee's health care provider provides medical certification that an employee has a medical need to take intermittent leave or leave on a reduced work schedule because of pregnancy, the Agency may require the employee to transfer temporarily to an available alternative position that meets the needs of the Agency. The employee must meet the qualifications of the alternative position. The alternative position will have the equivalent rate of pay and benefits, and must better accommodate the employee's leave requirements than her regular job, but does not have to have equivalent duties. The employee can be required to take PDL full time if intermittent leave cannot be reasonably accommodated in the employee's regular job and the Agency does not want to transfer the employee to an alternative position.
- f. Effects of FMLA / CFRA. While an employee is on PDL, she will also be placed on federal Family Medical Leave Act (FMLA), if she is otherwise eligible to be on FMLA. However, while an employee is on PDL, she will not be using any time off allowed under the California Family Rights Act (CFRA). After PDL ends, and even if FMLA is exhausted, the employee may qualify for more time off pursuant to CFRA if the employee meets the leave requirements of CFRA.
- g. Employee's Option to Use Paid Sick Leave. An employee may use accrued paid sick leave during PDL.
- h. Employee's Option to Use Vacation. At the employee's option, the employee may use any accrued vacation concurrently with PDL. However, during the time an employee is on PDL and FMLA at the same time, the employee will not be forced to use vacation.
- i. State Disability Insurance. Employees may be eligible for state disability insurance for the unpaid portion of the PDL.
- j. Health Insurance. Assuming the employee was on the health insurance plan prior to PDL, the employee will remain on the health insurance plan during PDL, and the Agency will continue paying its share of the cost of health care coverage, as was being done prior to PDL. Payment for health insurance by the Agency while an employee is on PDL shall not exceed four months over the course of a twelve month period commencing on the date PDL begins; thereafter, the employee will then be offered to continue insurance at her own cost through COBRA, if and as applicable, or via any other conversion provision allowed by the insurance contract, if any. During the time the Agency and the employee are sharing health insurance cost, the employee is required to continue making the employee's share of any premium payments as such was being done prior to PDL. The employee's share of the premium payment must be made by the first and second pay period of the month. If the employee fails to make her share of the premium payments on time, insurance will be stopped retroactive to the date the premium was due. Insurance will be reinstated upon the employee returning to work from PDL. The above provision shall only apply so long as the provision in Government Code section 12945 regarding insurance is not preempted by federal law or revoked by California law. If the employee so elects, the Agency will advance the employee's portion of the health insurance premiums that become due during the first 30 days from the start of any leave that begins with or changes to PDL leave.
- k. Reimbursement for Agency's Share of Health Insurance Premiums. The employee must repay to the Agency the amount of the Agency's share of health insurance premiums which the Agency pays during PDL if the employee fails to return to work after PDL ends unless the employee fails to return to work due to (1) the employee taking leave under the California Family Rights Act, or (2) the continuation, recurrence, or onset of a health condition of the employee related to pregnancy or childbirth, or (3) some other circumstance beyond the control of the employee. Reimbursement will not be sought for periods of time vacation was used in conjunction with the leave. "Return to work" means that the employee returned to work for at least 30 calendar days.

- l. Return from Leave. An employee who has been on PDL will be returned to her original position as soon as possible as agreed upon by the employee and the Agency after the employee submits a written return-to-work release from the employee's health care provider. If the original position is unavailable because of legitimate business reasons unrelated to the employee taking leave (such as, but not limited to, layoff), then the employee will be returned to a comparable position, if available, unless the employee would not have been offered the comparable position even if the employee had not taken PDL. If a comparable position is not available, the employee will be offered any available position that the employee is qualified to perform at the pay rate, benefits, and hours for that position. An employee returning from PDL has no greater right to reinstatement than if the employee had been continuously employed.
- m. Other Policies Applicable to PDL. Employees must refer to the section of the Employee Handbook entitled "Provisions Applicable to All Leaves" for information about other policies that apply to PDL.
- n. Contact Person. Employees may contact the Human Resources Department for more information regarding PDL or the right to transfer to a less strenuous or hazardous position or duties.

9. Discretionary Leave

A full time employee who has been employed for at least six months may, at the discretion of the employee's Program Director and the Human Resource Director, be granted an unpaid discretionary leave of absence that is not required by law. The employee would need to have sufficient reason such as own illness, family illness or other personal need.

A request for discretionary leave must be made in writing. Each request for discretionary leave will be evaluated on an individual basis, taking into consideration length of service, work record, staffing needs and respect to the efficient and orderly operation of the Company. If granted, the employee must use all available vacation, and if eligible, sick time. Employee will be responsible for 100% health premiums under COBRA if absent after 30 days.

10. State Disability Insurance

Income benefits provided by state disability programs, such as the California State Disability Insurance program (SDI), is not a leave of absence. State Disability is a wage continuation insurance program that applies under certain circumstances when an employee is disabled as defined by the applicable state law. Just because an employee qualifies for state disability does not mean the employee has the right to be off work. Unless the employee is granted a leave of absence, a disabled employee who cannot work can be terminated and yet receive state disability payments. Disability payments normally do not begin until after you have been absent from work for a few days. Unless precluded by a law, if you have unused sick leave and/or vacation available, sick leave and then vacation will be used to cover your absences and for supplementing your disability payments to provide a full day's wages. Contact the local EDD office for more information.

11. Work-Related Medical Leave

- a. Workers' Compensation Insurance. The Agency carries workers' compensation insurance coverage to protect employees who are injured or become ill due to working on the job. The name of the insurance carrier and other information related to reporting and receiving workers' compensation benefits is posted at each work site. In addition, every new employee is given a pamphlet describing the California's workers' compensation program pursuant to Labor Code section 3551.
- b. Reporting Injuries. Employees who are injured or become ill because of work must report the injury or illness immediately to the employee's supervisor, regardless of the need for a leave of absence. Failing to immediately report an injury will subject the employee to

discipline. The employee must cooperate in completing the legally required workers' compensation reporting forms.

- c. Work-Related Medical Leave. If an injury causes the employee to miss work, including missing work for doctors' appointments and rehabilitation therapy sessions, the employee will be placed on a work-related medical leave for the missed work. An employee need only complete the workers' compensation forms as required by state law in order to request a workers' compensation leave of absence. An employee who is on a workers' compensation leave of absence will also be placed on an FMLA/CFRA leave of absence at the same time, if the employee qualifies for FMLA/CFRA. Being on FMLA/CFRA will allow the employee to remain on health insurance, if applicable, for the first twelve weeks of the leave without increasing the premium cost to the employee.
- d. Maintaining Contact with the Agency. As with all non-work related medical leaves, employees are required to maintain contact with the Agency during any work-related medical leave. The employee must provide a doctor's note covering the employee's absence which describes the employee's work limitations. A new doctor's note must be provided to the Agency prior to or upon the expiration of the prior doctor's note. The employee is to inform the Agency as soon as the employee is released by any treating doctor to return to full or modified work. If the employee is working but receiving time off from work to attend treatment or follow-up examinations, the employee must provide proof that the employee attended the treatment or the follow-up examination.
- e. Wage and Benefits During Work-Related Medical Leave. An injured worker on workers' compensation leave will be treated like any other employee on a non-work-related medical leave of absence. Therefore, unless otherwise required by law or addressed in the Employee Handbook, the Agency does not pay wages nor does the employee accrue benefits during the time an employee is on work-related medical leave. However, even though the Agency does not pay wages during a workers' compensation leave of absence, workers' compensation insurance will provide certain wage replacement benefits to the employee if the employee's workers' compensation claim is valid. If the employee so requests, the Agency will coordinate any sick pay and vacation benefits with workers' compensation leave benefits so that the employee is paid a full day's wages for as long as possible.
- f. Fraud is a Crime. While legitimate claims are covered by workers' compensation insurance, false claims are not. Workers' compensation fraud is a *crime*. Any person who makes or causes to be made any knowingly false or fraudulent material statement or material representation for the purpose of obtaining or denying workers' compensation benefits or payments is guilty of a felony.
- g. No Discrimination Permitted. It is against Agency policy to fire, threaten to fire, or in any manner discriminate or retaliate against any employee because he or she has filed or made known his or her intention to file a claim for compensation, or for receiving a rating, award or settlement, or for being a witness in any workers' compensation action.
- h. Disclaimer for Recreational Activities. Neither the Agency nor its insurer will be liable for the payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any Agency-sponsored, off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.
- i. Return from Leave. An employee who has taken workers' compensation leave will be returned to his or her original or comparable position unless (1) the position has ceased to exist because of legitimate business reasons unrelated to the employee taking leave; or (2) the realities of doing business necessitated that the Agency fill the employee's position and there is no other job available for which the employee is qualified; or (3) the employee is unable to perform the essential functions of the job with or without a reasonable accommodation.

- j. Reservation of Rights. The Agency looks to the law, as all employees should, for a complete description of terms and conditions of a workers' compensation leave of absence, and the Agency reserves all its rights under the law pertaining to any legally protected leave, including the right to request verification of need for a leave, and the right to refuse, condition, or restrict the leave or the employee's return from leave.
- k. Other Policies Applicable to Workers' Compensation Leave. Employees must refer to the section of the Employee Handbook entitled "Provisions Applicable to All Leaves" for information about other policies that apply to a workers' compensation leave.

## E. PROVISIONS APPLICABLE TO ALL LEAVES

Except as specifically prohibited by law or set forth differently in another subsection of the Employee Handbook, the following provisions apply to all leaves of absence from the Agency. These rules also apply to all employees, regardless of whether the employee is an exempt-salaried employee or an hourly employee.

### 1. Requests for Leave

- a. Advance Notice. Whenever feasible, an employee must give their supervisor 30 days advance notice. The employee's supervisor and Human Resources Department must approve all leaves of any duration.
- b. Response by Agency. The Agency will respond to a leave request as required by law. If the law does not specify a time frame for responding, then the Agency will respond as soon as possible, which in most cases is within 5 working days of receiving the leave request.
- c. Emergencies. In cases of medical or safety emergencies where an employee cannot request a leave of absence in advance due to factors beyond the employee's control, the employee must contact his or her supervisor as soon as possible, preferably at least one hour prior the employee's scheduled start time.
- d. Failure to Give Advance Notice or Submit Medical Certificates. The failure to provide advance notice of the need for a leave when advance notice could have been given may delay the granting of a leave and/or subject the employee to discipline. In addition, if the leave was foreseeable and if the employee failed to provide a medical certificate as required, the Agency may delay granting a leave until an adequate medical certificate is provided. If an employee has not requested a leave in advance, or if no initial or follow-up medical certificate is provided when required, and if the employee is absent for a non-emergency reason, then the employee's absence will not be excused and the employee will be subject to discipline.

### 2. Medical Certificates and Follow-Up Reports

- a. Submission of Certificates. Any employee requesting a leave of absence due to a medical condition of the employee or the employee's immediate family member (including domestic partner and children of domestic partner) must submit a medical certificate verifying the need for the leave prior to the leave, or in an unforeseen emergency, as soon as possible after the leave has begun. Medical certificates are not needed for absences associated with colds or flu.
- b. Certificate Contents. The doctor's certificate must contain the following information:
  - (1) Date when the health condition started, if known.
  - (2) The probable duration of the leave.
  - (3) If applicable, a statement that due to the employee's health condition, the employee is unable to work at all or is unable to perform one or more functions of the employee's job. The employee may be required to have his or her doctor complete a doctor's assessment form, as provided by the Agency, for purposes of engaging in the interactive process to determine if a reasonable accommodation would allow the employee to perform the essential functions of the job.

- (4) If applicable, a statement that the health condition requires the employee to care for another person.
  - c. Follow-up Reports. The employee shall keep the Agency informed of the employee's work status at all times. The employee shall immediately submit all medical certificates, as they are received, which extend or shorten a leave beyond what was originally projected.
  - d. Re-Certification. The Agency may request re-certification from a doctor if the current medical note expires and more leave is requested, or if circumstances described in the previous medical certificate have changed significantly, or if the Agency receives information that casts doubt on the continuing validity of the current certification.
  - e. Confidentiality of Medical Information. All medical information will be kept in the employee's confidential medical file and will not be used for any personnel actions or decisions other than those related to leave, reasonable accommodation, or as otherwise allowed by law.
3. Proof of Attendance
- Whenever feasible and reasonable, employees are to provide proof that the employee attended the event or activity that precipitated the need for the leave such as jury duty, school activity, etc.
4. Status Reports
- While on medical leave, an employee may be required to report on his or her status if the need for leave comes into question or if it is not clear that the employee intends to return to work after the leave ends. Failure to provide a timely status report will be grounds for denying further leave and/or issuing discipline, which could include termination of employment.
5. Use of Paid Time Off with Legally Mandated Leaves
- Unless otherwise specifically stated in the Employee Handbook or prohibited by law, an employee must use his or her available paid time off simultaneously with the applicable legally-protected leave of absence. However, if the employee's absence would qualify for receiving paid sick leave, then the employee must use paid sick leave first and then any available paid vacation once the sick leave is exhausted. An employee may not use paid sick leave for absences related to legally-protected leaves where, in the absence of the legally-protected leave, the absence would not qualify for paid sick leave.
6. Effect of Leave on Benefits
- a. Non-Insurance Benefits Cease During Unpaid Leave. An employee shall not forfeit benefits that become vested in the employee prior to the start of any unpaid leave. However, accrual of all benefits, except insurance benefits, cease immediately upon the employee taking any unpaid leave of absence. Insurance benefits will cease as discussed below. Credits for time worked also ceases during any unpaid leave, except as required by law.
  - b. Effect of Leave on Insurance Benefits. The following will apply to insurance benefits unless a law requires otherwise or a specific provision in this Benefits Handbook states differently. While an employee is on an unpaid leave of absence, the Agency will pay its share of any insurance premiums (whether for health care, life insurance, or other types of insurance, as such may exist from time to time) that become due within the first 30 days of the start of the leave as such was being done prior to the start of the leave. Assuming the employee pays his or her share of the premium, the insurance will continue and then end on the last day of the period for which the premium applies. Thereafter, the employee will then be offered to continue insurance through COBRA or Cal-COBRA, if and as applicable, or via any other conversion or other provision allowed by the insurance contract, if any. The employee must pay his or her share of any insurance premiums on time; otherwise, coverage will be lost retroactive to the last day of the period for which the last paid premium applied.

- c. Reimbursement for Employee's Share of Health Insurance Premiums. While on leave, an employee's share of any required benefit payments will continue to be deducted from the employee's paycheck as usual to the extent the pay is sufficient to cover the deduction. If the pay is insufficient to cover the deduction, the employee must submit payment on time. If the required payment is more than 30 days late, the insurance or benefit coverage may lapse and the termination may be retroactive to the date the unpaid premium was due. The employee must reimburse the Agency for any amounts paid by the Agency for the employee's share of insurance premiums. The employee and the Agency must agree in writing on a repayment schedule; otherwise, the Agency can seek repayment through legal action.
- d. Changes in Benefit Plans or Coverage. We will notify you of any opportunity to change benefit plans or any change in benefits while you are on a leave of absence. You will also be entitled to any new plans or benefits that you would have received had you not been on leave. Any changes in benefit plans, benefits, plan coverage, premiums, deductibles, etc., which apply to all employees will also apply to you just as if you were still at work.
- e. No Breaks in Service. Being on any leave of absence will not cause the employee to have a break in service for any benefit or other employment purpose. Any employee who returns to work on or prior to the maximum leave allowed by the Agency will be restored to the equivalent of his or her pre-leave benefits without having to meet any new qualifications regardless of whether the employee ceased to pay any premiums for insurance or costs for benefits during the leave. However, the Agency will not make retirement or pension plan payments or count the leave period for purposes of time accrued under any retirement plan during any unpaid portion of any leave of absence. Notwithstanding the above, employees who are on a military leave of absence will have the leave time count as time worked for vesting purposes according to law.
- f. Eligibility Periods. Employees who are returning from a leave of absence and who were eligible for the benefit in question prior to the leave do not have to complete a new eligibility period for the benefit in question so long as employment never terminated and the employee is working the required number of hours to receive the benefit. Hence, even if the employee first returns to work part-time and then changes to full-time, the employee will be eligible for the benefit in question as soon as the employee begins working the required number of hours needed to qualify for the benefit.

7. Modified Work During Convalescence

During any period that an employee is on a leave of absence from his or her regular job while recovering from a medical condition, the Agency reserves the right to temporarily modify the employee's existing job duties or to temporarily reassign an employee to an entirely different job. The employee will be provided with a temporary modified job description that the employee must take to his or her doctor for review. If the doctor clears the employee for the temporary modified duty, failure to accept such modified work or reassignment will result in disciplinary action up to and including termination.

Likewise, an employee may request a reasonable accommodation in an effort to return to work in some capacity while the employee is recuperating from a medical condition. The Agency will engage in the interactive process with the employee to determine if the employee can perform the essential functions of his or her regular job or another available job with or without a reasonable accommodation. The granting of any accommodation, whether temporary or permanent, will depend on whether the accommodation would be an undue hardship on the Agency, and a doctor's clearance allowing the employee to perform the duties.

The pay for any modified or different job shall be commensurate to the duties assigned, and the work hours shall be based on the needs of the Agency. The duration of any temporary modified job or reassignment shall also depend on the needs of the Agency.

Except as required by a federal or state statute, nothing in this policy requires the Agency to provide temporary modified work or reassignment. Approval from the employee's supervisor

and from the Human Resources Director is required prior to an employee being placed in a temporarily modified job.

8. No Gainful Employment

Unless prior written approval is obtained from the Agency, employees may not engage in gainful employment during the period of any leave of absence if such employment would prolong the employee's leave of absence, be a conflict of interest, interfere with the employee's ability to faithfully serve the Agency, or be a breach of any other policy in the Employee Handbook.

9. Reinstatement Upon Return from Leave

- a. Legally-Protected Leaves. The applicable law that gave rise to the leave of absence will govern reinstatement. However, in absence of any specific provision in the law to the contrary, any employee returning from a legally-protected leave of absence shall be reinstated to his or her previous position or to an equivalent position unless (1) the position has ceased to exist because of legitimate business reasons unrelated to the employee taking leave (such as, but not limited to, a layoff pursuant to downsizing, failure of the employee to maintain required credentials, or employee misconduct); or (2) the realities of doing business necessitated that the Agency fill the employee's position; or (3) the employee is not able to perform the essential functions of his or her job (or any similar job) and no reasonable accommodations can be provided without undue hardship on the Agency.
- b. Discretionary Leaves. Reinstatement is not guaranteed for employees who are on an unpaid discretionary leave that is not required to be given by law. If needed, the Agency will fill an employee's job even during the time the employee is on an unpaid leave. However, just because a position may be filled does not mean that the employment of an employee who is on a discretionary leave will be terminated. Instead, the Agency will wait to review the employment opportunities that are available at the time the employee is released to return to work or at the end of the discretionary leave, whichever occurs first. If a job is available at that time, which the employee is qualified for and can perform with or without a reasonable accommodation, it will be offered to the employee; otherwise, employment will then be terminated. Notwithstanding the above, employment will terminate during a discretionary leave if the position has ceased to exist because of any reason unrelated to the employee taking leave, such as, but not limited to, a layoff pursuant to downsizing, failure of the employee to maintain required credentials, or employee misconduct.
- c. Reporting for Duty. Absent extenuating circumstances beyond the employee's control, the employee must report to work on the date agreed to in writing by the Agency and the employee, or else the employee will lose his or her right of reinstatement. In the case of a health-related leave, the employee must report to work on the date the employee's doctor releases the employee for full or modified duty, unless the Agency agrees in writing to some other date. If the employee believes that he or she cannot begin work on the anticipated return date, the employee must still contact the Agency by the anticipated return date to discuss if extenuating circumstances beyond the employee's control actually exist; otherwise, the employee will lose his or her right of reinstatement.
- d. No Reinstatement Rights Beyond Maximum Leave. At no time will the Agency be required to return an employee to work from a legally-protected leave if the amount of leave used by the employee exceeds the maximum leave period required to be given by law. At no time will the Agency be required to return an employee to work from a leave that is not legally-protected, regardless of the length of the leave.
- e. Supervisor Approval to Return to Work. Approval from the employee's supervisor and from the Human Resources Department is required prior to an employee being placed back to work after an absence of more than 5 days.
- f. Doctor's Clearance. If the leave relates to the employee's health, then the employee must submit a written statement from the employee's doctor clearing the employee for work

prior to the employee being returned to work. If the employee is not fully released to return to all duties, the medical release must clearly explain the employee's work limitations and restrictions. Reinstatement may be delayed until the employee has provided a doctor's release meeting these standards. An employee who does not timely provide the required doctor's release is subject to disciplinary action up to and including termination. If, despite the employee presenting a doctor's clearance to return to work, the Agency has reason to believe that the employee would be working under pain or may injure himself or others if allowed to return to work, then the Agency reserves the right to have the employee examined by a physician of the Agency's choosing. Any examination requested by the Agency will be at the Agency's expense.

10. Reservation of Rights as to Legally-Protected Leaves

If the Agency is required by law to provide a particular leave of absence, but the Agency has mistakenly misapplied the leave or not addressed some issue regarding that leave in the Employee Handbook, it is the case that the Agency only intends to follow the minimum requirements of the law when granting and administering the leave. The Agency looks to the law, as all employees should, for a complete description of terms and conditions of these leaves, and the Agency reserves all its rights under the law pertaining to any legally-protected leave, including the right to refuse, condition, or restrict the leave or the employee's return from leave.

**F. ADOPTION OF BENEFITS AND LEAVES HANDBOOK**

Creative Alternatives hereby adopts the policies contained in this Benefits and Leaves Handbook. Please contact your supervisor or the Human Resource Director if you have any questions about any provision in this Handbook.