

4. EMPLOYEE BENEFITS

4.1 PAID TIME OFF (PTO)

The Township provides its employees with Paid Time Off (PTO) benefits in lieu of traditional benefits of paid vacation, personal days, and sick days. PTO may be taken by employees, with prior supervisory approval. PTO is available for employees to take time away from work. The Township encourages every employee to periodically take time off for rest and relaxation.

The amount of PTO to which an employee is entitled is determined by the employee's status. Full-time employees are eligible for 4 weeks of PTO; Part-time staff are eligible for 2 weeks of PTO.

PTO is accrued annually on an employee's anniversary date.

New, probationary employees in the ninety (90) day review period who have not yet accrued PTO and become ill may makeup missed days of work within the pay period in which they were missed and at the discretion of their supervisor.

Employees completing their ninety (90) day probationary period will accrue an amount of PTO equivalent to 75% of their annual PTO hour accrual to cover any necessary time off until their first-year anniversary date.

PTO does not accrue between employment anniversary dates and may not be taken until it is earned.

PTO must be used in the anniversary year for which it is earned, and it is not carried over past the employee's next anniversary date, absent exigent circumstances and prior approval by the Trustee.

PTO requests must be submitted to the Trustee for consideration and may not be submitted more than ninety (90) days in advance of the anticipated leave. Requests for PTO will be considered on a "first come, first serve" basis and are not considered approved until supervisory approval has been granted. However, the Trustee reserves the right to amend, cancel, or reschedule approved PTO leave given reasonable operational necessity and considerations.

PTO use of more than three (3) consecutive days not previously scheduled must qualify under an express Township policy (e.g., Medical Leave of Absence Policy, Parental Leave of Absence Policy, or FMLA Policy). Otherwise, if leave in excess of three (3) consecutive days does not qualify under an express Township policy, then the leave will be unexcused, unpaid, and may result in disciplinary action up to and including dismissal.

Employee absences that occur after all available PTO has been used will be unexcused, unpaid, and may be subject to disciplinary action up to and including dismissal.

4.2 HOLIDAYS

The Township shall follow the Indiana State schedule of holidays determined each January. There may be other occasions that the Trustee may designate other holidays.

The Township will grant paid holiday time off to all full-time employees. Part-time employees will be paid holiday pay if it falls on their regularly scheduled workday. Calculation of holiday pay will be based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee otherwise would have worked on that day.

If a recognized holiday occurs during an eligible employee's paid vacation, that day shall not be deducted from the employee's paid time off benefit.

4.3 TIME OFF AND LEAVE OF ABSENCE POLICIES

(1) FAMILY AND MEDICAL LEAVE ACT (FMLA) POLICY

The Township complies with all applicable federal and state labor and employment laws, including the federal Family and Medical Leave Act of 1993 (FMLA). Under the FMLA, eligible employees are entitled to certain rights, and have certain obligations, with respect to unpaid leave for certain family and medical reasons.

The Fairfield Township Trustee Office will provide Family and Medical Leave to its eligible employees. To qualify for FMLA leave, you must: (1) have worked for Township for at least 12 months, although it need not be consecutive; (2) worked at least 1,250 hours in the last 12 months; and (3) be employed at a worksite that has 50 or more employees within 75 miles.

Leave Policy

If eligible, you may take up to 12 or 26 weeks of family or medical leave, whichever is applicable (as explained below), within the relevant 12-month period defined below. While you are on FMLA leave, Township will maintain your group health insurance coverage at the same level and under the same circumstances as when you were actively working. Both the employer and the employee will be responsible for payment of their share of the premium during the leave period. Upon returning from approved FMLA leave, you have the right to be restored to the same job or an equivalent position, subject to the terms, limitations, and exceptions provided by law.

Leave Entitlement

You may take up to 12 weeks of unpaid FMLA leave in a 12-month period, which is measured forward from the date an employee's first FMLA leave begins/uses a "rolling" method that is measured backward from the date you use any FMLA leave for any of the following reasons:

- The birth of a child and in order to care for that child (leave to be completed within one year of the child's birth).
- The placement of a child with you for adoption or foster care and in order to care for the newly placed child (leave to be completed within one year of the child's placement).
- To care for a spouse, child, or parent with a serious health condition.
- To care for your own serious health condition, which renders you unable to perform any of the essential functions of your position.
- A qualifying exigency of a spouse, child, or parent who is a military member on covered active duty or called to covered active-duty status (or has been notified of an impending call or order to covered active duty).

You may take up to 26 weeks of unpaid FMLA leave in a single 12-month period, beginning on the first day that you take FMLA leave to care for a spouse, child, parent, or next of kin who is a covered service member and who has a serious injury or illness related to active duty service, as defined by the FMLA's regulations (known as military caregiver leave).

Both Spouses Employed by Township

Spouses who are both employed by Township and eligible for FMLA leave may be limited to:

- A combined total of 12 weeks of leave during the 12-month period if leave is requested:
 - for the birth of a child and in order to care for that child;
 - for the placement of a child with the employee for adoption or foster care and in order to care for the newly placed child; or
 - to care for an employee's parent with a serious health condition.
- A combined total of 26 weeks in a single 12-month period if the leave is either for:
 - military caregiver leave; or
 - a combination of military caregiver leave and leave for other FMLA-qualifying reasons.

Notice of Leave

If your need for FMLA leave is foreseeable, you must give Township at least 30 days' prior written notice. If this is not possible, you must at least give notice as soon as practicable (within one to two business days of learning of your need for leave). Failure to provide this notice may be grounds for delaying FMLA-protected leave, depending on the particular facts and circumstances.

Additionally, if you are planning a medical treatment or a series of treatments or you are taking military caregiver leave, you must consult with Township first regarding the dates of this treatment to work out a schedule that best suits the needs of the employee or the covered military member, if applicable, and Township.

Where the need for leave is not foreseeable, you are expected to notify Township within one to two business days of learning of your need for leave, except in extraordinary circumstances.

Township has Family and Medical Leave Act request forms available from the HR Dept. Please submit a written request, using this form, when requesting leave.

Certification of Need for Leave

If you are requesting leave because of your own or a covered relative's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from the Trustee. When you request leave, Township will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may result in denial of FMLA-covered leave until it is provided.

Township, at its expense, may require an examination by a second health care provider designated by Township. If the second health care provider's opinion conflicts with the original medical certification, Township, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion.

Township may require subsequent medical recertification. Failure to provide requested certification within 15 days, when practicable, may result in delay of further leave until it is provided.

Township also reserves the right to require certification from a covered military member's health care provider if you are requesting military caregiver leave and certification in connection with military exigency leave.

Reporting While on Leave

If you take leave because of your own serious health condition or to care for a covered relative, you must contact Township on weekly basis regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as practicable (within two business days if feasible) if the dates of leave change, are extended, or initially were unknown.

Leave Is Unpaid

FMLA leave is unpaid. You will be required to substitute any accrued and unused paid leave (e.g., PTO, compensatory time, etc.) for unpaid FMLA leave as described below:

- If you request leave because of a birth, adoption, or foster care placement of a child, any accrued and unused paid leave (e.g., PTO, compensatory time, etc.) will first be substituted for unpaid family/medical leave and run concurrently with your FMLA leave.
- If you request leave because of your own serious health condition, or to care for a covered relative with a serious health condition, any accrued and unused paid leave

(e.g., PTO, compensatory time, etc.) will be substituted for any unpaid family/medical leave and run concurrently with your FMLA leave.

The substitution of paid leave time for unpaid FMLA leave time does not extend the 12 or 26 weeks (whichever is applicable) of the FMLA leave period. In no case can the substitution of paid leave time for unpaid leave time result in your receipt of more than 100% of your salary. Your FMLA leave runs concurrently with other types of leave, for example, accrued PTO that is substituted for unpaid FMLA leave and any state family leave laws, to the extent allowed by state law.

Medical and Other Benefits

During approved FMLA leave, Township will maintain your health benefits as if you continued to be actively employed. If paid leave is substituted for unpaid FMLA leave, Township will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium through money order. Your health care coverage will cease if your premium payment is more than 30 days late. If your payment is more than 15 days late, we will send you a letter to this effect. If we do not receive your premium payment within 15 days after the date of this letter, your coverage may cease. If you elect not to return to work for at least 30 calendar days at the end of the leave period, you will be required to reimburse Township for the cost of the health benefit premiums paid by Township for maintaining coverage during your unpaid leave, unless you cannot return to work because of a serious health condition or other circumstances beyond your control.

Intermittent and Reduced Schedule Leave

If medically necessary, FMLA leave occasioned by a serious health condition may be taken intermittently (in separate blocks of time due to a serious health condition) or on a reduced schedule leave (reducing the usual number of hours you work per workweek or workday). FMLA leave may also be taken intermittently or on a reduced schedule leave for a qualifying exigency relating to covered military service.

If leave is unpaid, Township will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, Township may temporarily transfer you to an available alternative position that better accommodates your leave schedule and has equivalent pay and benefits.

Returning from Leave

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required, as are all employees returning from other types of medical leave, to provide medical certification that you are fit to resume work. Otherwise, you will not be permitted to resume work until it is provided.

The Township posts the mandatory FMLA Notice required by the U.S. Department of Labor (DOL) on Employee Rights and Responsibilities under the Family and Medical Leave Act in staff lounges where it can be seen by employees, is directing employees to the notice in this link <http://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf> and upon hire provides all new employees with notices. The function of this policy is to inform employees of their FMLA rights and responsibilities and any Township specific requirements.

In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law.

(2) BEREAVEMENT LEAVE

Bereavement leave will be granted to all employees in the event of absence necessitated by the death of a family member. In the event of the death of an employee's spouse, significant other, child/stepchild, parent/stepparent, or sibling/step sibling, the employee will be granted three days off work with pay. In the event of the death of an employee's grandparent, father- or mother-in-law, or son- or daughter-in-law, the employee will be granted one day off work with pay. Accrued but unused PTO may be used if additional time off is needed.

Subject to the approval of the Trustee, an employee may also take up to one full day without pay to attend the funeral of other relatives or friends. If available, the employee may request to be paid any accrued but unused PTO for this purpose.

All requests for bereavement leave should be made to the Trustee.

(3) MILITARY LEAVE

The Township recognizes the importance of military service to our country and our state. The Township will fully comply with all provisions set forth in federal and state law governing military leave. Pursuant to these laws, regular full-time and part-time employees are eligible for military leave as set forth below. Such leave and the re-employment rights of an employee upon return from such leave shall be determined in accordance with applicable federal and state law and regulations.

Military Training Leave

Any employee of the Township who is a member of the Indiana National Guard, a member of a reserve component, or a member of the retired personnel of the naval, air, or ground forces of the United States is entitled to a maximum of 120 work-day hours per calendar year, without loss of pay or PTO, for the time when the employee is: (1) on training duties of the state under the order of the governor as commander in chief; or (2) a member of any reserve component

under the order of the reserve component authority. (I.C. 10-16-7-5(b)). An employee may be required to present copies of military orders or other notification papers to his/her supervisor to substantiate a requested leave. The portion of any military training leaves of absence in excess of 120 work-day hours per calendar year will not be compensated by the Township. Employees may use any accrued but unused PTO to cover any unpaid portions of the military training leave. Unused military training leave will not carry over into the following year.

Military Active Duty Leave

Any employee of the Township who is a member of the Indiana National Guard, a member of a reserve component, or a member of the retired personnel of the naval, air, or ground forces of the United States is entitled to receive an unpaid leave of absence for the time when the employee is on state active duty under I.C. 10-16-7-7 or other active duty described in I.C. 10-16-7-23 (referred hereafter as "active duty"). (I.C. 10-16-7-5(c)). Employees may use any accrued but unused PTO to cover the unpaid military active-duty leave.

Administrative

Employees will be entitled to reemployment with the Township upon their return from military training leave and/or military active duty leave in accordance with federal, state, and local laws. In addition, employees may elect to continue health care benefits during military training leave and/or military active duty leave in accordance with federal, state, and local laws.

(4) JURY SERVICE LEAVE

The Township will grant employees time off for time spent: (1) responding to a summons for jury service; (2) participating in the jury selection process; and (3) serving on a jury. Employees must notify the employee's supervisor of the jury summons within a reasonable period after receiving the jury summons and before the employee appears for jury service. Employees must provide a copy of the jury summons to the employee's supervisor. Employees, unless directed otherwise to do so by the Trustee, may not claim their jobs as hardships to avoid jury duty. Employees must return to their duties any time they are not needed in the courtroom. If dismissed early from court, the employee will report to work for the remainder of their shift or use leave as appropriate.

For jury service, nonexempt employees will receive the difference between their average straight time hourly rate up to eight hours per day and the payment they receive for jury service for time they otherwise would have been regularly scheduled to work, up to a maximum of 6 weeks.

For jury service, exempt employees will receive their normal salary for partial workweeks in which they perform jury service, offset by any amount received as jury or witness fees. Exempt employees who miss up to 6 full workweeks for jury service will be paid their normal salary, less any jury pay received, but additional full weeks of jury service will be without pay.

All employees must present proof of the amount of jury pay received.

(7) WITNESS DUTY LEAVE

If an employee is subpoenaed as a witness in a court or administrative agency action for non-Township business, the Township will grant excused unpaid time away from work. An employee may use accrued but unused PTO for witness duty leave for non-Township business. If an employee is subpoenaed as a witness in a court or administrative agency action for Township business, the Township will grant excused paid time away from work.