

Compensation and Benefits:

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SALARY ADMINISTRATION

POLICY:

In establishing its wage and salary administration program, the agency strives to attract and retain highly competent employees; offer employees incentives to excel in their work; maintain internal equity among employees based on similar education, skills and responsibilities; reward individual efforts; and comply with all governmental regulations.

PRACTICE:

1. Salary scales are maintained that compare favorably with those maintained by other nonprofit organizations and the local business community for similar work. Salaries are paid in a manner that recognizes the scope, accountability and impact of jobs. Wages and salaries are reviewed periodically to determine whether existing salary ranges remain competitive and whether the salaries of individual employees accurately reflect job requirements and accountabilities.
2. Salary increases or annual bonuses, as given, are based on merit. Each employee who has met all of the employment requirements (e.g., appropriate driving license, completion of all training) is eligible for a merit increase annually around the anniversary date (until the employee reaches the salary cap). Ongoing and annual performance reviews serve to summarize progress throughout the year. However, eligibility for a salary increase or bonus does not guarantee that an increase will be given.
3. Salary increases depend on the agency's ability to meet its budget. Income is not entirely dependent upon the organization itself and its operation, since the sources of income include government funds and local contributions. Therefore, any changes to income by these sources will affect the organization's ability to provide basic pay and raises.
4. Merit or performance-based bonuses may be a part of the compensation for individual employees. Such bonuses are related to improvements in results, productivity in achieving results, and continuous quality improvement of work procedures. Specific performance targets will be established prior to the beginning of the period for which any bonus will be available.
5. Employees may also be compensated through a contractual arrangement. Such contracts are negotiated individually, including the amount of compensation, benefits and the duration of the contract.

REGULAR PAY PROCEDURES

POLICY:

The agency pays employees on a regular basis for all work hours completed and approved leave time utilized.

PRACTICE:

1. Employees are paid bi-weekly on a Friday.
2. Due to payroll processing time, all hours worked through the Sunday prior to the Friday payroll date will be included on that payroll check.
3. For the sake of convenience and efficiency for both the employee and the agency, employees will be paid through direct deposit into an authorized bank account. On each payday, employees will receive or have available to them a statement showing gross pay, deductions and net pay.
4. Newly-hired employees, may have their check mailed or may pick up their check while the direct deposit process is being set up for a maximum of three pay periods.
5. Changes in the employee deductions or withholdings status must be submitted in writing at least seven working days prior to check issue date.
6. Pay will be available on the regular payday and will not be advanced for any employee.
7. In the event that a paycheck is lost in the mail or lost or stolen after delivery to the employee, the agency must be notified immediately. A stop-payment notice will be placed on the check. If a stop-payment is unable to be made before the lost or stolen check has cleared the bank, the employee is responsible for the loss and for any fees that accrue. The agency is not responsible for lost or stolen paychecks.
8. If an employee believes an error has been made in his/her paycheck, the employee should notify the administration office as soon as possible. The suspected error will be reviewed and any necessary corrections made promptly.

PAYROLL DEDUCTIONS

POLICY:

Deductions from each employee's paycheck include both mandatory and voluntary deductions.

PRACTICE:

1. **MANDATORY DEDUCTIONS.** Mandatory deductions are those that are required by government regulation or a court of law. They include Federal Income Tax (the amount of which is determined by the employee's salary and number of dependents claimed on the W-4) and Social Security [FICA] and Medicare (deducted from gross salary at a fixed rate). An employee's paycheck may be garnished for alimony, child support, delinquent loans, or for some other reason, by court order. All mandatory deductions are made without written authorization of the employee.
2. **VOLUNTARY DEDUCTIONS.** Voluntary deductions are made only with the written authorization of the employee. Voluntary deductions include sums designated for the credit union, retirement plan, charitable contributions, and health and dental insurance. An itemized statement of all deductions from the employee's wages accompanies each paycheck.

TIMEKEEPING

POLICY:

Employees shall follow the established timekeeping procedures to ensure hours are recorded and paid in accordance with applicable laws.

PRACTICE:

1. All non-exempt employees are required to document the time they begin and end each work period by clocking in and clocking out by calling the automated time and attendance system and entering the employee identification number and job number. Exempt employees are required to clock in by calling the automated time and attendance system, but normally are not required to clock out.
2. Each employee must call in and call out for himself/herself. Employees may not call in or call out for any other employee.
3. Non-exempt employees leaving the premises during working hours for reasons other than agency business must clock out and clock back in upon their return.
4. All errors, omissions and lost ID cards must be reported to the payroll department immediately.
5. All employees must submit an approved leave request form indicating any Personal Leave being claimed by the conclusion of the pay period in order to be paid for the leave during the pay period. (The responsible team manager must approve any request for Personal Leave based on the requirements of the policy on Attendance and Punctuality, 5-1.)
6. If an employee fails to clock in, it is the employee's responsibility to contact a team manager or supervisor or to correct through an electronic system. If the failure to clock in is not reported or corrected prior to the close of the pay period, then the time will be paid during the pay period in which it is reported.
7. Any falsification or misrepresentation of timekeeping records is grounds for corrective action, up to and including termination.

EMPLOYEE REFERRAL BONUS

POLICY:

The agency invites and encourages employees to recommend applicants for any posted job. Employees are our best source for identifying qualified individuals to join the agency. Employees know the qualities the organization looks for and the skills and personalities that make the agency a success. All employees are encouraged to submit recommendations for vacancies.

PRACTICE:

1. To refer an applicant, employees must submit a recommendation to the administrative office using the Employee Referral form and include the applicant's resume (if available) and position for which the candidate is applying. This form must be submitted before the prospective employee is hired.
2. In appreciation for helping recruit the very best candidates, the employee who made the referral will be eligible for a referral bonus after the referred candidate has been employed, successfully completed the initial review period, and achieved regular status.
3. The standard amount of the bonus will be determined by the agency from time to time. It may be based on the employment needs of the agency.
4. To receive the bonus, the employee who made the referral must be actively employed by the agency at the end of the 90-day introductory period.
5. Employees involved in the hiring process, including the Executive Director, Associate Executive Director, and Coordinator of Human Resources are not eligible to participate in this program. Employees are also not eligible for this incentive if they are recruiting someone who will report directly to them in the course of their normal duties.

DISCLOSURE OF BENEFITS

POLICY:

The agency provides its employees with various benefits. Information and summary communications intended to explain these benefit plans are furnished to all plan participants and beneficiaries on a timely and continuing basis.

PRACTICE:

1. All benefits provided by this policy are described in official documents maintained at the administrative offices. These documents are available for examination by any plan participant or beneficiary. These documents are the only official and binding documents concerning the agency's welfare and pension benefits, and all summaries and communications, both written and verbal, must refer to them as binding in cases of questions or disputes. The agency reserves the right to modify, amend, and/or terminate its welfare and benefits.
2. The Executive Director, or any person as designated by the Executive Director, serves as Administrator of the agency's benefit plans. The Administrator is responsible for all communications and disclosures concerning the agency's benefits, and for compliance with all applicable laws and regulations. In addition, the Administrator is available to answer employee questions concerning benefits, and to counsel new employees, employees as they achieve eligibility, retiring employees, and non-employee beneficiaries as to specific benefit coverage and required forms and designations to the extent required by law.
3. Employees, spouses, and dependents covered by the agency's health benefits plan are to be notified, when appropriate, that they have the opportunity to acquire continuing health protection in certain specified situations including layoff, termination, or reduction in hours of employment and separation or divorce.

SUMMARY OF BENEFITS

POLICY:

The agency maintains a comprehensive employee benefits program in keeping with the understanding that financial security and personal welfare are of great importance to employees and their dependents.

PRACTICE:

1. **Medical Insurance:** A medical insurance plan is available for non-temporary employees who are regularly scheduled to work thirty (30) hours or more per week in an approved budgeted position(s). The agency contributes a portion to the premiums for the health insurance for employees and child dependents. The employee is responsible for the balance for medical insurance premiums. Employees must enroll for medical insurance within 60 days from their hire date or the date they change to a full time status. Coverage is effective the first day of the month after an employee has completed 60 days of employment or from the date they change to a full time status. Employees may enroll in the medical insurance plan during open enrollment each year or when they experience a qualifying event.
2. **Life Insurance:** Life insurance is available for non-temporary employees who are regularly scheduled to work thirty (30) hours or more per week in an approved budgeted position(s). Insurance is provided by the agency in an amount equal to the employee's salary up to \$50,000 at no cost to the employee. Coverage is effective on the first day of the month after an employee has completed sixty (60) days of employment or from the date they change to a full time status.
3. **Retirement Plan:** The agency offers a retirement program through a tax-deferred annuity for regular employees who work a minimum of one thousand (1,000) hours per year and have been employed by the agency for one year. A bi-weekly contribution will be made to an account for eligible employees in the amount of three percent (3%) of their gross salary. The agency will also match fifty percent (50%) of the employee's contribution up to a total of six percent (6%) of gross salary. The agency contribution will be fully vested when the employee has completed three (3) years of employment of 1,000 hours with the agency.
4. **Disability Insurance:** Long-term disability insurance is provided to employees who are regularly scheduled to work thirty (30) or more hours per week in an approved budgeted position(s) and after completing their initial review period. The amount of the benefit is 66 2/3% of the employee's basic monthly salary rate with a maximum monthly benefit of \$4,000. There is a one hundred eighty (180) consecutive day exclusion period before the benefits are payable.

5. **Employee Funded Insurance Options:** The agency offers several additional insurance options for regular, full-time employees, which are fully funded by the employee, including:
 - a) **Dental Insurance.** Employees may enroll in dental insurance during their first sixty (60) days or during open enrollment periods each year. If an employee enrolls in the dental insurance, they cannot drop the coverage until the next open enrollment period.
 - b) **Other Insurance:** The agency also offers employees the option to enroll in cancer, heart, life and short-term disability insurance once a year during open enrollment period.
6. **Section 125 Plan:** The agency offers a plan that enables employees to pay for medical and other insurance premiums with pre-tax dollars, saving the FICA and Federal income taxes that would have otherwise been paid.
7. **Legally Required Benefits:** The following employee benefits are provided in accordance with federal employment law.
8. **Workers' Compensation** protects an employee from medical expenses and loss of income in the event of injury on the job or a job-related disability. This is discussed in further detail in following section (2-13).
9. **Social Security** and **Medicare** is financed by equal taxes paid by the employee and the agency.
10. **Unemployment Insurance** is provided to lessen an economic hardship should an individual become unemployed. This program is financed by the agency.

Note: This is only a summary of benefits. The specific details are available in formal benefit plan statements such as policies, plan descriptions, etc.

WORKERS COMPENSATION

POLICY:

Injuries occurring in the course of employment are paid for by workers' compensation insurance. Workers' Compensation insurance pays all medical costs, without a deductible provision, and protects the employee against loss of income. The agency pays the entire cost of the Workers Compensation insurance premium.

PRACTICE:

1. Any employee injured on the job must report the injury within 24 hours to his/her team administrator or the Coordinator of Human Resources, regardless of whether the injury is minor or of no apparent significance.
2. A Tennessee Employer's First Report of Injury should be completed immediately by the injured employee or if the employee is not able to complete, by the team administrator or Coordinator of Human Resources. The injured employee shall sign this report. The employee shall also complete a Release of Medical Records form. The administrative office will submit the forms to the insurance company within 24 hours of the incident.
3. The insurance carrier will contact the injured employee to discuss the benefits the employee will receive if applicable. The insurance carrier will be responsible for all medical bills related to the accident or injury. If the injury leads to the necessity of missed time from work, the insurance carrier will determine this amount and coordinate the payment with the employee. Tennessee law allows for payments for lost wages beginning with the 8th day of absence as a result of the injury or accident. If time off continues for at least 14 days, the employee will be paid retroactively back to day one. Paid time off days may be used for the days preceding the 8th day. The benefit amount is 66 2/3% of gross wages and the amount is non-taxable.
4. Any employee experiencing problems with coordination of benefits with the insurance carrier should contact the Coordinator of Human Resources who will assist the employee.