

## **XYZ FOUNDATION EMPLOYEE POLICIES**

*(Adopted January 1, 2007; Revised July 1, 2023)*

*[NOTE: While this document is presented anonymously, NCFP members who have a question for the foundation that created these policies may request to do so by contacting [ncfp@ncfp.org](mailto:ncfp@ncfp.org).]*

The XYZ Foundation, Inc. is a family foundation with a small professional staff. As such, we strive to create a flexible, family-like office culture where we can be responsive to the needs of our employees. At the same time, we recognize that standard employee policies help create consistency, clarity of expectations, and fairness. The purpose of these policies is to outline the expectations of all employees and, in turn, to articulate the expectations that employees may have of the XYZ Foundation as an employer.

This document dedicates significant time to outlining policies governing absence and various types of leave from work. We respect that all employees have personal commitments and seek to create an office culture where employees may honor those commitments. Yet we also recognize that as an organization with a small staff, the absence of any single employee has an impact on the entire office. Moreover, we are a service-oriented organization, and our employees must be accessible and responsive to our stakeholders, notably Foundation members and grantees. This policy seeks to find a balance between creating a flexible workplace while meeting the needs of the organization.

We seek to create an office culture where employees are trusted to deliver on their professional expectations and are motivated to help the XYZ Foundation achieve its mission in the communities we serve. We prefer to be governed less by rigid adherence to policies and more by a sense of trust that all employees are driven to achieve ambitious goals; are self-directed in accomplishing their individual responsibilities; are committed to a service-oriented mindset; and may exercise reasonable judgement about managing their time.

The policies described herein do not constitute, nor should they be relied on, as contractual or otherwise legally binding obligations of The XYZ Foundation to its employees or third parties. Nothing contained in these policies guarantees any specific term of employment or limits the right of The XYZ Foundation or its employees to terminate the employment relationship at any time. Employees always should feel encouraged to speak openly to the Executive Director and/or their manager about special circumstances that are not covered by this policy document.

## SECTION 1: EMPLOYMENT

**Employment At Will.** Employment with The XYZ Foundation may be terminated at the will of either the Foundation or the employee. The employee is free to leave the Foundation at any time and the Foundation can terminate an employee's employment at any time. No representative of the Foundation has the authority to make any agreement to the contrary except the Executive Director and even then, such an agreement must be in writing.

**Job Descriptions.** The Foundation shall maintain current individual job descriptions for all employees.

**Reviews.** From time to time, each employee will have an opportunity to discuss their job performance with their supervisor. Written documentation of these meetings shall be maintained within employee personnel files.

**Resignation.** Employees are expected to give written notice of intent to resign at least two weeks prior to departure. This provision does not modify the "Employment At Will" provision above.

**Overtime.** In order to maintain compliance with provisions of the Fair Labor Standards Act (FLSA), employees are classified as exempt or non-exempt per the FLSA guidelines. Non-exempt employees will receive overtime for hours worked in excess of 40 hours per week. Exempt employees are not eligible for overtime pay.

Should overtime be necessary, the employee must submit a request in writing for prior approval to their supervisor and obtain advance written authorization. If it is impractical to obtain supervisor approval prior to working overtime, the request should be submitted to the Executive Director or to the supervisor on the morning after the overtime was worked.

At the end of the work week, it is the employee's responsibility to report overtime hours worked on an exception reporting timesheet and obtain the supervisor's signature. The employee should deliver the exception reporting timesheet to the Chief Financial Officer and attach a copy of the approved overtime request form within 5 workdays. The employee should also give a copy of both forms to the Executive Director.

Overtime will be compensated by payment at time and one-half of the employee's effective hourly rate for that work week. Overtime hours will be paid promptly upon timely receipt of the report.

## SECTION 2: BUSINESS OPERATIONS

**Business Hours.** Foundation business hours are 8:00 am – 5:00 pm Monday through Thursday, and 8:00 am to 4:00 pm on Fridays. Staff are expected to be available and responsive during business hours, and our physical location typically will be open during business hours. The Executive Director may alter these hours for special circumstances. Each employee is expected

to work any reasonable additional hours required to meet the Foundation's needs. Individual employees may elect to work a different schedule (for example, 7:00 am – 4:00 pm), with the agreement of their manager. Each employee should set their standard working hours with their manager.

**Security.** The Foundation is committed to providing and maintaining a safe working environment. External doors always should remain closed and locked from the outside. Employees should exercise caution when working in the building alone and when working outside of the standard office hours.

**Severe Weather.** If inclement weather causes hazardous conditions, the Executive Director may determine that an office closure is necessary. The Executive Director will determine when the office will close and notify Foundation employees not later than 6:00 am on the day of closure.

Employees never should compromise their safety to try to get to work and should use their judgement to determine if they can safely travel to the office. If an employee deems it unsafe to travel, they should notify their manager to make appropriate arrangements. If inclement weather is predicted, employees should prepare to work remotely until conditions allow for a safe return to the office.

**Dress Code.** The XYZ Foundation's typical attire expectation for employees is business casual. There are some exceptions to the typical dress code:

- Office casual attire is allowable on all Fridays.
- The Executive Director may approve a more relaxed dress code for the summer months.
- Business-formal attire is encouraged on days when the Board of Trustees meets.

Employees should consult their manager or the Executive Director if they would like more detailed guidance about office attire or the specific definition of "business casual" dress.

### **SECTION 3: REIMBURSEMENTS AND EXPENSES**

**Travel and Mileage Reimbursement.** When an employee uses her/his own automobile for Foundation business, the employee may submit a mileage report for reimbursement. The rate of reimbursement is the rate in effect and approved by the IRS. Any employee, permanent or temporary, using their automobile for Foundation business must provide proof of insurance as well as a copy of their valid driver's license.

Employees may also be reimbursed for meals and business expenses when conducting Foundation business. Reimbursable expenses are described in more detail in the Travel Reimbursement Policy. Employees must secure written approval prior to planning any out-of-town travel for Foundation business to be eligible for reimbursement. To avoid a situation

where an employee is not reimbursed for an expense, employees are encouraged to discuss expenses with their manager in advance.

**Credit Card Usage.** The Foundation may provide corporate credit cards to some employees. Employees should use corporate cards for Foundation expenses only and should submit receipts promptly after expenses are incurred. Receipts should include the specific business purpose for the charge. When using the corporate card for business travel, charges must follow the Foundation’s Travel Reimbursement Policy.

## **SECTION 4: HOLIDAYS; VACATION; AND LEAVE**

The Foundation offers a generous holiday and vacation package to its employees. Vacation time is provided to employees to be away from work due to vacation; religious reasons; or other personal requirements.

**Holidays.** The Executive Director distributes the schedule of holidays at the beginning of each calendar year.

**Floating Holidays.** Each employee will be awarded 3 “floating holidays” annually.

**Vacation Allotments.** Vacation for full-time employees is earned according to years of service to the Foundation based on the following schedule:

<b>Years of Service Completed</b>	<b>Days per Calendar Year</b>
0 – 5	15
6 – 10	18
11 – 15	20
15+	25

During recruitment, the Executive Director or President may approve an amended vacation allocation aligned with seniority as appropriate.

Part-time personnel earn a pro-rata paid leave allotment based upon the regular schedule of the employee.

**Notice of Vacation Requests.** Vacation requests are subject to the approval of an employee’s manager and the business needs of the Foundation. The Foundation typically will be able to accommodate employees’ requests when advanced notice is given. Therefore, employees are strongly encouraged to submit requests as early as possible, to enable the Foundation to meet its business needs while honoring employees’ personal commitments. For vacation requests of 3 or more consecutive days, employees should provide a minimum notice of two weeks (10 business days).

**Short-term vacation requests.** Employees may use vacation days in increments of half days (4 hours) or full days. If an employee needs to be away from the office for a period of fewer than 4 hours, they should discuss with their manager to make reasonable arrangements.

**Carryover of unused vacation.** An employee may be allowed to carry over up to 5 days of unused vacation at the end of the calendar year.

**Termination or resignation.** In the event an employee leaves the Foundation, vacation compensation will be prorated accordingly. Unused vacation will be paid on a pro-rata accrued basis in the event of:

- involuntary termination, unless for gross misconduct or cause, or
- resignation with a minimum of two weeks' written notice

In the event the employee has taken more vacation than they have earned during the year in which termination or resignation occurs (after any carry-over), the excess balance may be deducted from the final paycheck.

**Sick Leave.** New employees accrue paid sick leave at a rate of one-half (0.5) days per month beginning on the first full month of employment. Employees who have been employed for 1 year or more will begin the year with 6 sick days. An employee may accrue a maximum of 60 days of sick leave. Once the maximum is reached, accrual will cease until the balance drops below 60 days.

Paid sick leave is provided for use in the event of absence from work (in increments of 4 hours or more) due to personal or family medical reasons or doctor's appointments (including for pregnancy and complications thereof, whether pre-birth or after the expiration of maternity leave) or under the Foundation's Family Leave policy (as described below).

Paid sick leave may be used in the case of illness of the employee, the employee's spouse, the employee's child, or the employee's parents.

Upon separation from employment, unused sick leave will not be reimbursed.

Suspected abuse of sick leave may lead to disciplinary action. Indications of possible abuse of sick leave include, but are not limited to, repeated usage of sick leave to extend regularly scheduled days off, including weekends, holidays, excessive absenteeism on Monday and Fridays, and usage of sick leave on days previously requested and denied as vacation. Any employee who is out of the office for more than three (3) consecutive days in a row due to an illness may be requested to provide a doctor's note upon returning to work. The Foundation reserves the right to terminate any employee that it believes is abusing the sick leave policy.

When an employee needs to take sick leave due to personal illness or illness of an immediate family member, they should notify their manager or the Executive Director as soon as reasonably possible.

**Bereavement leave.** Employees may take bereavement leave. Full-time and part-time employees may take up to 5 days off work for the death of a spouse, partner, child, parent, sibling, and up to 3 days off work for the death of a grandparent, father-in-law, mother-in-law, son-in-law, or daughter-in-law. The eligible time off will be paid. Contact the Executive Director as soon as reasonable to request time off for bereavement leave.

**Pregnancy and Parental Leave.** Foundation employees may need to be absent from work to care for a newborn child or newly adopted child (referred to as “parental leave” in this policy), or due to a pregnancy-related condition (referred to as “pregnancy leave” in this policy). The XYZ Foundation provides pregnancy and parental leaves of absence to all eligible employees in accordance with applicable law.

If an employee needs to take pregnancy leave or parental leave for the birth of a child or to care for a newly adopted child, they should provide advance notice to their supervisor. When possible, employees should give at least 30 days' notice of their request for leave. If 30 days' notice is not possible because of medical necessity or for other reasons, employees should give as much advance notice to the Foundation as possible. Written notice is preferred, but not required.

All employees are eligible for six (6) weeks of paid parental leave and six (6) weeks of paid pregnancy leave. If an employee is suffering from a pregnancy-related disability and requires reasonable accommodation (which may include leave) for this purpose, the employee should speak with a supervisor to discuss reasonable accommodation. Employees may be required to submit medical certification of their disability.

During pregnancy and parental leave, employees will continue to be paid their normal rate of pay. Employees also may use any or all of their accrued but unused vacation time off to extend the duration of any pregnancy leave or parental leave. In no case can the use of paid leave time result in an employee's receipt of more than 100% of salary.

**Medical Leave:** Although the Foundation is not large enough to be covered by the Family and Medical Leave Act (“FMLA”), it is the Foundation’s intention to nevertheless offer leave that in some respects is similar to leave offered by the FMLA. Specifically, Foundation employees who work at least thirty (30) hours per week and are employed at least one year are eligible to take up to 12 weeks of leave during a 12-month period due to a serious health condition, which renders the employee unable to perform one or more of the essential functions of their position.

If an employee takes leave because of a serious health condition, they must contact the Foundation bi-weekly regarding the status of the condition and their intention to return to work. In addition, the employee 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 under this policy is paid.

In no case can the substitution of paid leave time for unpaid leave time result in an employee’s receipt of more than 100% of their salary.

If medically necessary and subject to the Foundation's approval, leave under this policy occasioned by the employee's 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 the employee works per workweek or workday).

While an employee is on an intermittent or reduced schedule leave, the Foundation may temporarily transfer them to an available alternative position that better accommodates their leave schedule and has equivalent pay and benefits.

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

Unless otherwise required by law, the Foundation cannot guarantee that it will hold open the position of any employee who is on leave under this policy. Nor can the Foundation guarantee that following such leave an employee will be restored to their former position or to any other position. If the employee's former position is unavailable, the Foundation will endeavor to find an available position for which the Foundation, in its sole discretion, determines the employee is the best qualified candidate, but if no such position is available, the employee's employment will be terminated.

Employees who fail to return to work at the end of a leave under this policy will be deemed to have voluntarily resigned and employment will be terminated.

**Family Leave:** Although the Foundation is not large enough to be covered by the Family and Medical Leave Act ("FMLA"), it is the Foundation's intention to nevertheless offer leave that in some respects is similar to leave offered by the FMLA. Specifically, Foundation employees who work at least thirty (30) hours per week and are employed at least one year are eligible to take up to 12 weeks of unpaid leave during a 12-month period for any of the following reasons:

- to extend parental leave, as described above, for another 6-week period;
- the care of a spouse, child or parent who has a serious health condition.

If an employee takes leave to care for a covered relative, they must contact the Foundation bi-weekly regarding the status of the condition and their intention to return to work. In addition, the employee 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 under this policy is unpaid. While on leave under this policy, an employee may use any accrued and unused vacation, paid time off, sick days, and/or personal days to run concurrently with the unpaid leave under this policy. In addition, any approved pregnancy or parental leave will run concurrently with leave taken under this policy related to the birth or placement of a child.

The substitution of paid leave time for unpaid leave under this policy does not extend to the 12-week leave period under this policy. In no case can the substitution of paid leave time for unpaid leave time result in an employee's receipt of more than 100% of their salary.

If medically necessary and subject to the Foundation's approval, leave under this policy occasioned by another's 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 the employee works per workweek or workday).

While an employee is on an intermittent or reduced schedule leave, the Foundation may temporarily transfer them to an available alternative position that better accommodates their leave schedule and has equivalent pay and benefits.

Unless otherwise required by law, the Foundation cannot guarantee that it will hold open the position of any employee who is on leave under this policy. Nor can the Foundation guarantee that following such leave an employee will be restored to their former position or to any other position. If the employee's former position is unavailable, the Foundation will endeavor to find an available position for which the Foundation, in its sole discretion, determines the employee is the best qualified candidate, but if no such position is available, the employee's employment will be terminated.

Employees who fail to return to work at the end of a leave under this policy will be deemed to have voluntarily resigned and employment will be terminated.

An employee who goes out on medical leave and returns to work will not be provided an additional 6 months of paid leave period if the need for additional leave time arises because of the same serious health condition or a recurrence or complication thereof. Employees who return to work intermittently or on a reduced schedule basis will be required to (1) obtain their supervisor's approval of their proposed schedule (which is subject to the operating requirements of the Foundation) and (2) exhaust any remaining medical leave in order to maintain their pre-leave level of compensation. After such leave is exhausted, the employee's compensation may be reduced to take into account his or her intermittent or reduced schedule.

## **SECTION 5: FLEXIBLE WORKING ARRANGEMENTS**

**Flexibility.** The Foundation allows for flexible working arrangements, based on the duties outlined in the employee's job description. Flexible arrangements should be discussed and approved in advance by the employee's manager or by the Executive Director. Flexible arrangements may include variations in starting and departure times, variations in the length of the workday. These arrangements do not alter the total number of hours to be worked in a work week. The operational needs of the Foundation and the impact on other staff will be



considered when evaluating arrangements. We reserve the right at any time to request that employees be physically present in the office, based on the business needs of the organization.

**Working Remotely:** The general expectation is that each full-time employee works from the office at least 3 full days per week. Some employees may be asked to be in the office more than 3 days per week, based on the duties of their job. Additional details about “Working Remotely Protocols” may be found at the end of this document, labeled Appendix A.

**Comp Time.** The Foundation’s business needs occasionally will require employees to work on Saturdays or during other non-standard business hours. When this occurs, the Executive Director may approve compensatory time off.

## **SECTION 6: INSURANCE AND OTHER BENEFITS**

**Disability Policy.** The Foundation provides Long Term Disability benefit coverage to qualified employees. Benefits and coverage may vary per employee, depending on the level of compensation and pre-existing and current health situations. Details are provided in the summary plan description for this program.

**Other Insurance.** The Foundation provides health and dental insurance coverage for all full-time employees, if possible, at the Foundation’s expense, and/or unless waivers are filed. If an employee desires added coverage for a dependent or spouse, the employee pays the premium. If a change in dependent or spousal status takes place, the employee is required to notify the Foundation immediately in writing of such a change. Details are provided in the summary plan description for this program.

The Foundation provides a death benefit for all full-time and part-time employees. Full-time employees receive a \$150,000 benefit and part-time employees receive a \$75,000 benefit in the event of the death of the employee while employed by the Foundation. Upon separation from the Foundation, an employee will be eligible for a reduced amount of \$100,000 if the employee was employed by the Foundation for 10 total years with at least five of those years working in a full-time capacity. Details are provided in the plan document for this program.

**Pension Plan.** A Simplified Employee Pension Plan is in effect for all eligible employees. The Foundation makes an annual contribution on behalf of all eligible employees, currently in the amount of 15% of each employee's gross wages, to a financial institution designated by the employee. Each employee has the responsibility to manage the funds contributed on their behalf. The Foundation has no further obligation toward management of these funds after contribution.

In addition, employees may elect to purchase an annuity contract or establish a custodial account established under the provisions of Section 403(b) of the Internal Revenue Code.

**Matching Gifts.** Employee contributions to eligible non-profit organizations will be matched by equal funds from The XYZ Foundation, Inc., subject to approval by the Board of Trustees and subject to all policies outlined in the Foundation's Matching Gift policy. Employees may request a matching gift for personal gifts ranging in size from \$25 to a maximum of \$25,000. An employee is eligible for a maximum of \$25,000 in cumulative matching gifts per calendar year.

**Plan Documents.** The descriptions of the Foundation's employee benefit programs included above are intended only as brief summaries or highlights of such programs. In case of any conflict, the actual plan documents will govern.

**Right to Amend.** These are the benefits The XYZ Foundation currently applies. The Foundation expressly reserves the right to amend and/or terminate any of its employee plans and arrangements at any time, in its sole discretion.

Please reach out to the Executive Director if you do not understand or have any questions about these policies, or if you have any special circumstances that may require discussion. Thank you for your commitment to the success of The XYZ Foundation!

## Supplemental Detail – Appendix A

### Flexible Working Protocols

*Current as of July 1, 2023*

**INTRODUCTION:** This supplemental document expands upon Section 5 of our formal Employee Policies by providing more detailed information about the expectations and protocols for working remotely. As with all employee policies, we reserve the right to amend this document at any time.

**OVERALL:** As outlined in the policies, the typical expectation is that each full-time employee works from the office at least 3 full days per week. Some employees may be asked to be in the office more than 3 days per week, based on the duties of their job.

**BUSINESS NEEDS:** We reserve the right at any time to request that employees come into the office. This will be driven by the business needs of the organization, our workflows, and our ‘peak’ times of year, such as before and after major grant meetings, during the audit, or other especially demanding times of the year. We trust that each employee has a good sense for his/her ‘peak’ times and that employees can plan for the possibility of needing to be in-person more frequently during these times.

#### **WORKING REMOTELY NORMS:**

- Employees should communicate their “work remotely” schedule via the team’s OneNote.
- Employees are strongly encouraged to make Wednesdays an “in-office day,” with reasonable exceptions for health needs or other special circumstances.
- Employees are encouraged to maintain a routine schedule (e.g., M-W-F office), so that colleagues know when to expect you in the office.
- Working remotely implies that you are in the foundation’s home city and could come into the office if required by people business needs.
- Working remotely implies that you are in an environment where you can focus on your work and access all relevant Foundation platforms/systems necessary to accomplish your tasks. If this is not the case, please use a half or full vacation day.
- While working remotely, employees should be reachable by Microsoft Teams, phone, and/or text, and should be able to respond within a reasonable interval of time. Employees are strongly encouraged to use Microsoft Teams when working remotely, to signal availability and promote the same level of accessibility as in-office work.
- Finally, as a reminder, our small office is built on a foundation of trust and a need to rely on one another. We will ask everyone to use an “honor system,” and we will place trust in each employee to exercise the work-remotely benefit honestly and in a manner that is fair to the Foundation.

#### **WORKING FROM A LOCATION OTHER THAN THE FOUNDATION'S HOME CITY**

- The summer months have different business needs than other times of the calendar year. Accordingly, we will increase flexibility for our employees during this time.
- During the summer months and with advanced approval from both the direct manager and the Executive Director, employees may work from a location other than the foundation's home city.
- This benefit may be exercised for a maximum duration of 15 business days, which may be taken consecutively or non-consecutively.
- To be eligible for this benefit, employees must have completed at least one full year of employment and have a sustained track record of strong performance and reliability.
- We will define the "summer months" as June 15 to August 31. We selected this window of time based on (a) timing of fiscal year and business needs and (b) typical Foundation meeting calendar.
- Employees must submit a request to exercise this benefit at least two weeks prior to departure (and preferably earlier). The manager and/or Executive Director reserves the right to decline any such request based on business needs, performance concerns, or other reasons.
- Employees must provide assurance of reliable, high-quality internet access while working remotely, and the Foundation will not reimburse any costs associated with ensuring access.
- Employees also must provide assurance that they can adequately handle all critical job duties and be responsive/available during typical business hours.
- If an employee must be away from the foundation's home city for an extended period for situations such as those defined in the Family and Medical Leave Act, the Executive Director may approve other arrangements based on the specific circumstances. This will be determined on a case-by-case basis.