

The 2021 Agency Goals

Improve System Quality:

1. Maintain customer satisfaction at 99% or better. – **Broaden beyond riders – Communities Leader/Organizations/Other stakeholders.**
2. Respond to all complaints within one business day. Resolve complaints/respond to customer within 5 business days from the date complaint received.
3. Answer phone inquiries within 15 seconds of call coming in.
4. Answer virtual customer service calls in 35 seconds or less.
5. Daily inspect facilities and vehicles and ensure that all pass Leadership Team spot inspections for maintenance and cleanliness.
6. Address all overload situations immediately (greater than 50% capacity during COVID).
7. Complete all audits of drivers/routes (Each driver once per quarter. Physically audit express drivers. Video audits of Prime drivers).
8. Ensure all schedule outlets, stations and vehicles have up-to-date schedules, postings, and information (inspect bi-weekly).

Scoring: X of 8

Improve System Reliability, Safety and Security:

1. Maintain the number of road calls per mile to at least 1 per 48,000 miles or better (NTD Standard).
2. Maintain on-time performance at 99% of 1st stop, and 95% of arrival time. Audited quarterly by Dispatch.
3. Perform 100% of scheduled trips/stops throughout the year (contract definition).
4. Maintain the number of chargeable accidents at or below .75 per 100,000 miles traveled (NTD).
5. Pass OSHA audit/inspection without any major violations (code red).
6. Zero days lost due to preventable injury.
7. Complete all EPP training and perform per the plan during times of emergencies or unplanned situations (i.e. storms, pandemic, and others).
8. Pass State Patrol vehicle inspections without any violations.

Scoring X of 8

Strengthen the Overall Agency:

1. Achieve ridership comparable to Q4 of 2019 by Q4 of 2021 (given outside factors allow for ridership increase/stabilization).
2. Achieve overall system subsidy per passenger comparable to Q4 of 2019 by Q4 2021 (Average for both Express and Prime again, if outside factors allow for ridership growth/stabilization).
3. Maintain a healthy fund balance between 25% - 35% of our annual operating funds.
4. Reduce discrepancy between the actual inventory and the amount shown in the system at 1% or less and not exceed \$250,000 in overall value.

5. Achieve an “unqualified” outside audit opinion (highest opinion available); findings should include no material weaknesses, no noncompliance findings, no internal control issues, and no significant deficiencies.

Scoring X of 5

“Major Projects/Tasks”

Administrative

- Continue to refine agency succession strategies. Implement organizational changes and fill key positions.
- Complete Strategic Plan update.
- Maintain financial stability. Advocate for fair share of MVST and CARES funding.
- Maintain/build a strong dedicated workforce.
- Ensure the safety of our customers and staff. Ensure Safety and Security Plans (EPP) is updated annually and meet all federal requirements.
- Expand leadership influence. Maintain strong relations with local, state, and federal political leaders.
- Ensure Asset Management Plan is updated annually and meet all federal requirements.
- Coordinate COVID-19 Response.
- Improve upon operational efficiencies.
- Masterplan and partner on the development of the final parcel available at SW Village.

Adjusted scoring __ of 10

Ops/Planning

- Launch Shakopee Prime Service.
- Launch 494 Prime service to the Airport/MOA.
- Pilot app-based scheduled on one or more of the SW Prime services (MD, Shakopee, 494).
- Build back services efficiently to meet growing ridership.
- Make meaningful progress on demonstrating Autonomous Vehicle technologies in the SWT service area.
- Purchase two electric vehicles for SW Prime service (if the technology and vehicle can meet SWT operating needs).
- Restart Special Event services when able.
- If operating State Fair service, ensure all resources (drivers, vehicles, grounds staff, supplies) are ready and available.
- Complete joint systemwide planning study with MVTA.
- Make meaningful progress on expanding SW Prime MD.
- Ensure the agency is meeting new Federal safety reporting standards.

Adjusted scoring __ of 11

Marketing

- Continue brand awareness push “Premier Provider of Transit Services.”
- Develop SW Prime rebranding options and implement if approved.
- Refresh/Update the website.
- Rebuild relationships within the community (senior centers, arboretum, schools).
- Restart and implement travel training program.
- Implement Back of Bus Back Campaign.
- Develop and implement formal community and business outreach program.
- Develop and implement campaigns for returning services and new services – Shakopee, 494, Special Events, returning express services.

Adjusted scoring __ of 8

IT

- Complete eMaint Migration.
- Replace Exacqvision Servers at SWV, CTS and ECS.
- Replace Toughbook laptops in Shop.
- Replace iPads in SW Prime Fleet.
- Install External Wi-Fi access points.
- Update/Implement Agency Information Security Program.
- Increase Network Security where available.
- Train Users to avoid Social Engineering scams.
- Install Lobby Ticketing (GoTo card) machines.
- Implement 2FA for user logins.
- Successfully test IT disaster recovery.

Adjusted scoring __ of 11

Finance

- Work Closer with departments strengthen financial understanding.
- Determine agency staffing needs/reorganization.
- Bring Payroll, Grant Management, and Asset Management functions into the Finance Department.
- Effectively invest new revenues and continue laddering implementation.
- Achieve GFOA Award.
- Secure training and advancement opportunities for all finance staff.
- Secure new Audit services contract.
- Secure new Banking services contracts.
- Maintain healthy Fund Balance/Reserve Account.

Adjusted scoring of 9

HR

- Monitor and update job descriptions, grade totals, and salary ranges as needed (i.e. classification and compensation studies). Identify “Steps” for advancement.
- Conduct 2 “all staff” training sessions.
- Conduct annual employee engagement survey.
- Conduct monthly OSHA safety training.
- Identify new insurance benefit options.
- Establish Health Savings options for those employees on the VEBA system.
- Clean-up all prior HR issues (Long-term Disability Coverage; PTO earnings and carry-over; Job Description and grading totals; TASC).
- Complete Job Equity Report.
- Implement stronger Procurement oversight process.
- Formulate/write-up Pandemic Response Plan.

Adjusted scoring __ of 10

Facilities (Buildings and Grounds)

- Complete ramp PM repairs at SW Village and CTS.
- Complete Garage roof reconstruction/replacement project.
- Manage/oversee SW Station construction ensuring brand standards are met.
- Identify multi-year training plan for Facility employees.
- Ensure all facilities staff are trained and properly using E-Maint.
- Complete Pre-cast repairs to ECS.
- Complete final garage construction projects including fitness room shower and locker rooms; outside landscaping, garage painting.
- Ensure snow is removed and all walk areas are safe and cleared after snow fall.
- Ensure all route buses and buildings are cleaned and disinfected daily.

Adjusted scoring __ of 9

Vehicle Maintenance

- Achieve a PM compliance of 91%.
- All B level or higher technicians get certified on at least one Cummins engine.
- Collectively complete 100 MCI training classes.
- Collectively complete 50 Prevost online classes
- Ensure all non-Master level technicians obtain at least one ASE certification in 2021.
- Pass all State inspections.
- Complete all mid-life rehabs.

Adjusted scoring __ of 7

Totals

Points Available =96

Points Earned = ____

Percentage Achieved = __%

Bonus?

Performance/Incentive Compensation

- **95%-100% = \$600**
- **89%-94% = \$500**
- **83%-88% = \$400**
- **75%-82% = \$300**
- **Below 75% = \$0.0**



SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit (SWT) Commission

FROM: Matt Fyten, COO

DATE: January 19, 2021

SUBJECT: Internal Controls Policy

REQUESTED ACTION:

That the SouthWest Transit Commission adopt the SouthWest Transit (SWT) Internal Controls Policy.

BUDGET IMPACT:

None.

BACKGROUND:

Attached to this is the final draft of the SWT Internal Controls policy.

This policy sets forth policies and procedures that serve as checks and balances to help protect the agency from both internal and external threats such as theft, embezzlement, and mismanagement of funds and/or sensitive documents by employees, suppliers, contractors, and customers. There are four practices/procedures that the policy addresses:

- Network Security
- Wire Transfer and ACH Wire Transfers
- Gift Certificates
- Payroll Changes

This policy is intended to be a living document and will be amended as these processes and procedures evolve or when additional formal processes and procedures are required.

RECOMMENDATION:

That the SouthWest Transit Commission adopt the proposed SouthWest Transit (SWT) Internal Controls Policy.

SouthWest Transit (SWT) Policy – Internal Controls

PURPOSE

This Internal Controls policy sets forth policies and procedures that serve as checks and balances to help protect the agency from both internal and external threats such as theft, embezzlement, and mismanagement of funds and/or sensitive documents by employees, suppliers, contractors, and customers.

NETWORK SECURITY

Network Login

- Employees/Users are required to change their network login every 90 days.
- User passwords will require at least one of lower-case, upper-case, numerical and symbol.
- Passwords must have a minimum character count length of 10.
- User's previous 5 passwords cannot be used.
- Users will have a 5-day grace period to update their password.
- Users will be locked out of network access if a password is not changed every 90 days.
- Users must contact the SWT IT Department to have their password(s) reset should they fail to meet these network login requirements.

Office 365 Login

- Employees/Users are required to change their Office 365 login every 90 days.
- User passwords will require at least one of lower-case, upper-case, numerical and symbol.
- Passwords will have a minimum character count length of 10.
- User's previous 5 passwords cannot be used.
- Users will have a 5-day grace period to update their password.
- Users will be locked out of Office 365 access if password is not changed every 90 days.
- 2FA – Multi Factor Authentication will be enabled for all users.
- Users will provide SWT IT Staff with their cell phone number to receive their 2FA codes when logging into the Office 365 web interface.

Wi-Fi Access

- Only assigned laptops and other special devices will be allowed to connect to the SWT-Internal WLAN.
- The password for the SWT-Internal WLAN will be set by the SWT IT Department and will be changed as needed.
- SWT IT Staff and SWT's contracted IT services provider will be the only persons that will know SWT Wi-Fi passwords.
- Only under extraordinary circumstance will SWT's contracted IT services provider provide the Wi-Fi password to the CEO or COO upon their request.
- Only authorized SWT devices as identified in the SWT Information Security Program will have access to the SWT-Internal WLAN via MAC Address Filtering.

SouthWest Transit (SWT) Policy – Internal Controls

- All other devices (guest laptops and cellular phones, staff cellular phones, smart speakers, etc.) will connect to Wi-Fi using the SouthWest Wi-Fi WLAN

VPN Access

- VPN access to the SWT Internal Network will be provided via IKEv2 with native client support.
- Only authorized personnel (employees or contractors) as determined by the CEO will be granted VPN access to the SWT Internal Network.
- VPN access to the SWT Internal Network must be set up by SWT IT Staff who will ensure that a secure certificate is installed to ensure a secure connection.

Network Drives Access

- At the direction of the CEO, the SWT IT Department will limit user access to SWT Internal Network drives to only those drives, folders, and files needed to fulfill each user's unique job requirements.

WIRE TRANSFERS AND ACH WIRE TRANSFERS

- Wire Transfers and ACH wire transfers should only be initiated after all other payment options have been explored and exhausted. Should a Wire Transfer and ACH wire transfer be required for payment of goods and/or services, the following conditions apply:
- Payment via Wire Transfer and ACH Wire Transfer.
 - Any Wire Transfer and ACH Wire Transfer Request Form must be completed.
 - All Wire Transfer and ACH Wire Transfer Requests need to be reviewed and authorized in writing by both the CEO and Finance Director.
 - Wire Transfers and ACH wire transfers will not be authorized without both written and verbal confirmation from the intended Wire Transfer and ACH wire transfer recipient confirming the following:
 - That the recipient is part of the organization requesting the Wire Transfer and ACH wire transfer.
 - That the requested payment amount is correct.
 - That the requested payment account number is correct.
 - Wire Transfers and ACH wire transfers on behalf of SWT can only be executed by the Finance Director (or his or her designee) with the expressed verbal and written approval from the CEO.
 - The Wire Transfer and ACH wire transfer amount cannot exceed SWT's insurable limit (currently \$250K FDIC).
 - If the ACH wire transfer amount for a single payment exceeds the insurable limit, multiple ACH wire transfers, with a minimum of 24 hours between each payment or verification of receipt, will need to be executed until the payment is made in full.
- Receipt of ACH Wire Transfer – Electronic Funds Transferring (EFT).
 - If SWT is requested to receive an EFT, the Finance Director, after receiving approval from the CEO, is the only individual that may provide SWT's wire transfer account information.

SouthWest Transit (SWT) Policy – Internal Controls

- The Finance Director must receive both written and verbal confirmation from the requested sender that he or she represents the organization making the request and that the dollar amount being sent is correct.
- There is no limit to the payment amount that SWT can receive via EFT if the above conditions are met.

GIFT CERTIFICATES

For all gift certificates that contain a monetary value, the following procedures are required:

- All gift certificates received must be immediately given to the SWT Finance Director (or his or her designee).
- Upon receipt, the Finance Department must electronically log the receipt of each individual gift card by tracking the following:
 - Date card was received.
 - Identifying tracking number for each individual card.
 - Monetary value of the card.
 - Business name where the card will be redeemed.
- Any gift cards that are requested by staff for the purpose of giving to an individual must receive written or verbal approval from the Finance Department and the CEO or his or her designee.
- Upon providing the requested gift card to staff, the Finance Department must electronically log the following for each gift card provided:
 - Date card was provided to staff.
 - Staff member(s) that requested and received the card from the Finance Department.
 - Identifying tracking number for each individual card.

PAYROLL CHANGES

All SWT employee-requested payroll changes cannot be executed until Human Resources receives both written and verbal communication from the requesting employee that the request is accurate.

Payroll changes include, but are not limited to the following:

- Changes in direct deposit accounts and corresponding payment amounts.
- Changes in benefit elections.
- Changes in benefit accounts and corresponding payment amounts.
- Changes in personal and dependent information (names, addresses, contact information, etc.).

If requesting a change(s) in a direct deposit account(s) (dollar amount, account and/or routing number), a single live pay check will be issued to the individual making the request prior to the direct deposit request(s) taking effect.



SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit (SWT) Commission

FROM: Matt Fyten, COO

DATE: January 19, 2021

SUBJECT: MnDOT Grant Application

REQUESTED ACTION:

That the SouthWest Transit Commission adopt Resolution 20-02 authorizing its CEO to submit a Clean Transportation Funding Pilot Program grant application to the Minnesota Department of Transportation (MnDOT) for the purchase and operation of two electric vehicles.

BUDGET IMPACT:

The adopted 2021 Budget contains \$200,000 for the purchase of two electric vehicles as part of the Capital Cost of Operating fund. These funds would be used meet the local match requirements of the grant should it be awarded. The local match being proposed in the grant application will not exceed \$200,000.

BACKGROUND:

Staff has been working with a non-profit, the Center for Transportation and Environment (CTE), on a project proposal as part of a grant application for MnDOT's Clean Transportation Funding Pilot Program. The project proposal is to study the benefits of operating electric vehicles as part of the SW Prime service.

In December, CTE and SWT submitted a letter of interest to MnDOT describing the proposed project and its associated benefits. After reviewing the letter, MnDOT formally invited CTE and SWT to submit a full grant application.

The application calls for the purchase of two electric vehicles capable of a range of 250+ miles on a single charge, an electric vehicle charging station to be installed with at SouthWest Station or SouthWest Village, and funds to monitor and study the benefits of the vehicles in operation.

Applications are due February 16th, with award announcements scheduled in April. If awarded, staff will come back to the Commission for approval of the purchase of the vehicles. If approved, it is likely the vehicles would go into service in Q3 or Q4 of this year.

RECOMMENDATION:

That the SouthWest Transit Commission adopt Resolution 20-02 authorizing its CEO to submit a Clean Transportation Funding Pilot Program grant application to the Minnesota Department of Transportation (MnDOT) for the purchase and operation of two electric vehicles.



**SOUTHWEST TRANSIT COMMISSION
RESOLUTION #21-02- MNDOT CLEAN TRANSPORTATION FUNDING PILOT PROGRAM GRANT
APPLICATION**

WHEREAS, the SouthWest Transit Commission operates as a Joint Powers entity for the Cities of Eden Prairie, Chaska and Chanhassen to provide transit services under the laws of the State of Minnesota including Statute 473.384, 473.388 and Statute 471.59; and

WHEREAS, SouthWest Transit (SWT) seeks to implement service innovations that will increase operational efficiencies and customer experience;

WHEREAS, introducing electric vehicles to the SW Prime fleet will lessen SWT's use of fossil fuels and shrink its carbon footprint;

WHEREAS, if awarded, this pilot project will inform SWT's future plans related to electric vehicles;

WHEREAS, if awarded, this pilot project will allow SWT to test various autonomous vehicle capabilities and measure how the benefit operational safety and customer experience;

WHEREAS, this pilot project will serve as a model of innovation that can be used throughout the transit industry.

NOW THEREFORE BE IT RESOLVED, adopts Resolution 21-02 authorizing its CEO to submit a Clean Transportation Funding Pilot Program grant application to the Minnesota Department of Transportation (MnDOT) for the purchase and operation of two electric vehicles.

ADOPTED by the SouthWest Transit Commission on January 28, 2021.

Chair

ATTEST:

Chief Executive Officer



SOUTHWEST TRANSIT

To: SouthWest Transit Commission

From: Len Simich, CEO

Date: January 19, 2021

Subject: Proposed changes/additions to the Employee Policy Manual

REQUESTED ACTION:

That the Commission authorize its Chief Executive Officer (CEO) to make the changes/additions identified below to the current Employee Policy Manual. The proposed changes are primarily found in Section 4.02 relating to personal leave.

There is also a clarification in Section 6.02 relating to the winter boot allowance.

BUDGET IMPACT:

No financial impact to the agency (SWT).

BACKGROUND:

While conducting a recent review of the Agency Employee Policy Manual, some actions previously taken by the Commission were never amended into the final document.

It was also noted that on the bottom of page 18 under "Accrual of Personal Leave", there includes a statement that allows the CEO to make "Exceptions to the personal leave rate of accrual".

Similar language is being requested to page 20 under "Personal Leave Accrual, Carry Over and Cash-Out". This addition would give the CEO the flexibility to respond to unusual circumstances similar to what occurred in 2020 (i.e., PTO totals that had been provided by HR to the employees and management in the past were not updated or provided; and with COVID-19, not all PTO requests could be granted in 2020 due to job responsibilities and staff coverage).

Another circumstance which does impact those staff members working in facilities and/or vehicle maintenance is weather. In the past we have had to deny or delay PTO or floating holidays due to heavy snow being forecasted. When this happens towards the end of the year it puts the ability to draw PTO balances down to or below the maximum carry-over amount in jeopardy.

Our current use-it or lose-it policy ties the agency in to something that may not be in our, or our employees' best interest.

Another change requested would provide the option to staff to either take a PTO buy-out (twice per year or upon leaving the agency), or to place an equivalent cash amount of the PTO buy-out into

their health savings (HSA) or VEBA account (we currently have this option for the HSA, but do not have this option for VEBA. However, it appears we are eligible to establish the VEBA option).

The contribution to both the HSA and VEBA would be a financial wash for the agency but would be an additional no-cost benefit to the employee by allowing them to put the PTO cash-out into their health saving account tax free.

RECOMMENDATION:

To provide the CEO with greater flexibility to deal with PTO hours beyond the current maximum an employee can carry into a new year, the following changes/additions are being recommended.

1. Allow the CEO to permit an employee to carry over excess hours into the first quarter of a new calendar year.
2. If the excess hours are not used or cashed out by the end of the first quarter, they then would be forfeited.
3. The CEO may permit cash-out of these excess hours subject to budget availability.
4. Cash-out of these excess hours does not preclude the employee from taking advantage of the ordinary two 40-hour cash-out opportunities later in the year.
5. All cashed-out hours can be taken as ordinary compensation or an employee-deferred contribution to the HAS or VEBA account (once this option is established through our health insurance provider.

Also, to clarify the winter boot policy found in Section 6.02

6. The winter boot allowance will only be once per year which should mirror the language that applies to the steel-toed boots.



SOUTHWEST TRANSIT

EMPLOYEE MANUAL

Revised January 2021~~May 2020~~

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INTRODUCTION

This Employee Manual describes the personnel policies of SouthWest Transit (SWT) and the benefits available to SWT employees. The purpose of this Employee Manual is to provide SWT employees with a general description of benefits, personnel administration, and employee guidelines. It is not intended to be a legal statement of benefits, nor a comprehensive explanation of our personnel policies and practices. Its sole function is to give employees a general understanding of how SWT views the employment relationship and approaches personnel issues.

This manual is not intended to create, and shall not be considered, a contract between SWT and its employees. Nothing in this document shall be construed as creating anything other than an employment "at will" relationship between SWT and its employees. Employees have the right to terminate the employment relationship with SWT at any time, with or without notice, for any reason. SWT has the same right to terminate the employment relationship at any time, with or without notice, for any reason not prohibited by law.

The information in this manual may be subject to law. In the event information in the manual is contrary to law, the provisions of law will prevail.

It is not possible to anticipate every question that might arise in the course of employment. While this manual provides information about topics most often of interest to employees, an employee may, on occasion, have a question or concern that is not addressed in the manual. If that occurs, the employee should direct his or her question to Human Resources.

The policies and programs outlined in this manual are those presently in effect. It is likely that the policies and the employment-related benefits and programs of SWT will change from time to time. Although we will periodically update this manual to keep employees informed of changes, we may implement changes immediately, without advance notice. The Chief Executive Officer is authorized to revise, delete or otherwise change policies, and to make the final determination in interpreting or applying policies.

This Employee Manual supersedes and replaces any and all policies and related materials made available to the employees of SWT.

EMPLOYMENT

2.01 CLASSIFICATION OF EMPLOYEES

There are two categories of employees: Regular Employees and Temporary Employees. Within the two categories there are two classifications of employees: Full Time and Part Time.

Regular Full-Time Employees: Employees who regularly work forty (40) or more hours per week and receive full SWT benefits effective the date of hire. Benefits include those in the Benefit Plan (medical, dental, life insurance, etc.), personal leave, and holidays.

Regular Part-Time Employees: Employees who regularly work twenty (20) or more but fewer than forty (40) hours per week. Regular part-time employees receive part-time personal leave and holiday benefits determined and prorated based on the actual number of hours worked. Regular part-time employees working 32 hours per week or more will also receive the same health, disability and life insurance benefits as regular full-time employees. They will also be eligible for personal leave and holidays on a pro-rated basis.

Temporary Full-Time Employees: Employees who are hired on a temporary basis and regularly work forty (40) or more hours per week. Temporary full-time employees do not receive holiday or personal leave benefits or the benefits in the Benefit Plan (medical, dental, life insurance, short or long term disability income continuation).

Temporary Part-Time Employees: Employees who are hired on a temporary basis and regularly work less than forty (40) hours per week. Temporary part-time employees do not receive benefits.

Exempt and Non-Exempt Status: All positions, whether Regular or Temporary, are classified as either Exempt or Non-Exempt, in accordance with the requirements of the Fair Labor Standards Act (FLSA). The classifications are defined as follows:

Exempt shall apply to all positions considered exempt from the overtime provisions of the FLSA. Employment is based on a flexible schedule of forty (40) or more hours per week. These positions are compensated at a pre-determined amount on a bi-weekly basis.

Non-Exempt shall apply to positions eligible for overtime pay under the requirements of the FLSA. Employees are compensated on an hourly basis for the actual hours worked.

2.02 EQUAL EMPLOYMENT OPPORTUNITY

It is SWT policy to provide equal employment opportunity to all persons. All employment decisions are based upon the principles of equal opportunity. These decisions include recruitment, selection, promotion, transfer, discipline, compensation, benefits, training, and other personnel actions involving persons in all job titles and shall occur without regard to race, color, creed, religion, national origin, sex, veteran/military status, disability, age, marital status, sexual orientation, status in regard to public assistance, membership or

activity in a local commission, genetic information or any other characteristic protected by law.

Any individual who believes he or she has experienced or observed behavior contrary to this policy is expected to report that information to Human Resources or the Chief Executive Officer. All such reports of action contrary to this policy will be taken seriously and investigated promptly. Individuals found to have violated SWT's equal employment opportunity policy will be subject to corrective action as described in section 2.04. No individual shall be retaliated against for making a good faith report of behavior contrary to this policy.

2.03 EMPLOYMENT OF RELATIVES

To avoid accusations of favoritism, abuse of authority, sexual harassment, and similar misconduct, SWT prohibits any two employees in a "personal relationship" from being in a situation wherein one employee has real or perceived authority, influence, or power over the other employee's conditions of employment, or has the ability to directly affect the other employee's career progression. This includes both formal and informal supervisory relationships.

This policy does not apply to personal relationships where neither employee has real or perceived authority, influence, or power over the other employee's conditions of employment or the ability to directly affect the other employee's career progression.

For the purpose of this policy, the definition "personal relationship" includes the following:

1. Any familial relationship by blood or marriage;
2. Any present or former romantic, dating or sexual relationship, without regard to gender or sexual orientation of the participants; or
3. Any other close relationship, including certain friendships that extend beyond the workplace, wherein the judgment or performance of either employee, superior and subordinate alike, may be influenced, or may appear to be influenced, by the relationship.

If employees in supervisory-subordinate roles are involved in any such relationship, the supervisory employee is prohibited from engaging in all official matters affecting or appearing to affect the subordinate employee. Both employees in any such relationship are responsible for disclosing the relationship to the supervisor employee's direct supervisor or other senior-management members. Upon learning or being informed of the existence of such a relationship, the appropriate senior-management members may take all steps that, in their discretion, they deem appropriate. Those steps may include, but are not limited to:

1. Reassignment of one or both employees in order to sever the supervisory relationship; and

2. Recusal of the supervisory employee from all official matters affecting, or appearing to affect, the subordinate employee.

2.04 CORRECTIVE ACTION

SWT employees are employed at will. SWT reserves the right to discipline, suspend, demote or dismiss employees at any time, with or without notice, for any reason not prohibited by law. The Chief Executive Officer has authority over the administration of all personnel matters, including hiring, discipline, and termination.

SWT expects that all employees will perform their jobs satisfactorily and comply with all other SWT guidelines, policies, and core values. SWT will strive to work with employees in communicating and attempting to correct work-related problems. However, unsatisfactory job performance or violation of SWT guidelines, policies, or core values may result in corrective action.

Corrective action may take several forms, including but not limited to verbal warnings, written warnings, suspension (with or without pay), demotion, or termination. SWT reserves the right in its sole discretion to omit any or all of these steps, or to add or modify steps in any particular situation. SWT may take whatever corrective action it determines is appropriate in response to the circumstances of any given situation.

Nothing in this section or in SWT's disciplinary policies or practices shall impair an employee's right to terminate his or her employment with SWT at any time, with or without notice, for any or no reason, nor does it modify SWT's right to terminate any employee's employment at any time, with or without notice, for any reason not prohibited by law.

2.05 PERFORMANCE EVALUATIONS

Employee performance evaluations are ordinarily conducted on a semi-annual and annual basis. For all positions below the Chief Executive Officer level, evaluations are ordinarily completed by the Department Director or Chief Executive Officer.

Newly hired employees will receive performance evaluations by their supervisor three (3) months after hire and again six (6) months after hire to evaluate the employee's progress in meeting position requirements.

Reviews are designed to provide a dialogue and employees are encouraged to discuss items of mutual concern in this confidential setting. Wage or salary increases are not guaranteed and may or may not be a part of this process.

Regardless of the ratings on the performance evaluations, an employee's employment with SWT remains "at will."

2.06 EMPLOYEE RECORDS AND DATA PRIVACY

SWT maintains information needed to administer employee benefits, to pay employees, to complete required Federal and State reports, and to record employee work performance. All laws regarding data privacy shall be strictly followed. Data is kept in individual employee files, payroll files, and computer files. These files are the property of SWT.

Employees are obligated to inform Human Resources of dependent, marital status, address, or telephone number changes within 30 days of the change. Failure to notify SWT may result in critical time-sensitive mail not being delivered or other information not being received.

Motor Vehicle Records will be periodically checked for all employees who operate, or who may potentially operate, SWT-owned vehicles during the course of their employment with SWT. All such employees shall possess and maintain a valid driver's license. Any such employee not having a valid driver's license shall not be permitted to operate any SWT-owned vehicles. All such employees shall report any and all of the following events to Human Resources within 3 business days of occurrence:

- Revocation of driver's license or permit to drive;
- Revocation of nonresident operating privilege;
- Temporary or permanent disqualification from operation of a commercial motor vehicle;
- The issuance of a temporary license prior to the effective date of any license suspension or revocation;
- Administrative license plate impoundment;
- Administrative or court-ordered vehicle forfeiture;
- Criminal conviction; and
- The issuance of a citation for any moving traffic violation.

Failure to report an event as required may result in disciplinary action, up to and including dismissal.

2.07 DRUG FREE WORKPLACE

SWT is committed to a drug and alcohol free workplace to ensure high productivity and to protect the safety, health and wellbeing of all employees and other individuals in our workplace. SWT recognizes that alcohol abuse and drug use pose a significant threat to our goals. SWT has established a drug and alcohol free workplace program that balances our respect for individuals with the need to maintain a drug and alcohol free environment.

This policy recognizes that employee involvement with alcohol and other drugs can be very disruptive, adversely affect the quality of work and performance of employees, pose serious health risks to users and others, and have a negative impact on productivity and morale. SWT has no intention of interfering with the private lives of its employees unless involvement with alcohol and other drugs off the job affects job performance or public

safety. SWT encourages employees to voluntarily seek help with drug and alcohol problems.

As a condition of employment, SWT requires that employees adhere to a strict policy regarding the use and possession of drugs and alcohol, including pre-employment drug testing. SWT established this policy to maintain compliance with the requirements of the United States “Drug Free Workplace Act of 1988” and other state and federal statutes.

A copy of the entire Drug and Alcohol Free Workplace policy which includes the drug and alcohol testing procedures for reasonable suspicion has been distributed to all employees.

2.08 DRUG AND ALCOHOL TESTING POLICY FOR SAFETY SENSITIVE POSITIONS

SWT has established Drug and Alcohol Testing Policy for Safety Sensitive Positions. This policy sets forth SWT’s policy on alcohol and controlled substance abuse, including drug and alcohol testing programs, for “safety sensitive” positions. Employees in “safety sensitive” positions are subject to the requirements of this policy, in addition to the requirements of SWT’s Drug Free Workplace Policy. The policy is based on the requirements set forth in the Federal Transit Administration regulations found at 49 C.F.R. Part 655 and the testing procedures outlined in 49 C.F.R. Part 40.

A copy of the entire Drug and Alcohol Testing Policy for Safety Sensitive Positions has been distributed to all employees in safety sensitive positions.

2.09 HARASSMENT & OFFENSIVE BEHAVIOR

SWT is committed to providing a work environment free from discrimination. SWT also prohibits unlawful harassment based upon a person’s race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, disability, sexual orientation, age, veteran/military status, membership or activity in a local commission, or any other characteristic protected by law. Employees should at all times treat other employees with respect and dignity.

The prohibition on harassment and offensive behavior applies to employees, applicants for employment, temporary or contract workers, as well as Directors, members of the Commission, customers, suppliers, vendors, visitors or any other person associated with SWT. It applies not only to the workplace during normal business hours, but also to all work-related social functions, whether on or off SWT premises, and to business-related travel.

Harassment is prohibited in all work-related interactions, whether in person, via telephone, in writing or through electronic communications such as e-mail, text messages, instant messages, blogs, electronic conferencing and social media postings regardless of whether

such interactions are made through a computer, cell phone, pager, or other electronic device or medium.

Harassment includes any behavior that is offensive, abusive, threatening, intimidating, humiliating, or degrading to another individual. The behavior can be verbal, written, visual, or physical and can arise out of in-person or electronic communications. While harassment may be based on protected class status, other offensive behavior that impairs morale and interferes with work effectiveness, including jokes and teasing, are also prohibited.

One type of harassment is sexual harassment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact, and other verbal or physical conduct or communication of a sexual nature when this conduct or communication explicitly or implicitly affects an individual's employment, substantially interferes with an individual's work performance, or creates an intimidating, hostile, or offensive work environment. Sexual harassment includes unwelcome sexual behavior by either men or women toward either men or women. It also includes sex-based harassment directed at someone because of their gender.

Harassing conduct may include, but is not limited to the following:

- Epithets, slurs, negative stereotyping, or threatening, intimidating, or hostile acts;
- Written or graphic material that shows hostility or denigrates persons which are placed on walls, bulletin boards or elsewhere on SWT's premises, or circulated in any form in the workplace, including by electronic means;
- Unwelcome sexual remarks or compliments, sexual jokes, innuendoes, propositions and sexually suggestive gestures, body language or facial expression; and
- Physical contact such as patting, pinching, touching or constant brushing against another's body.

If an employee believes he or she has been harassed or has observed another employee being harassed by a co-worker, supervisor, customer, vendor or other person subject to SWT's control, the employee should promptly report the facts and names of the individuals involved to the Chief Executive Officer, Human Resources, or a Commission member. All complaints of harassment will be taken seriously and investigated promptly.

SWT will disclose information related to a complaint of harassment only as permitted or required by law. SWT does not condone retaliation against any employee who, in good faith, reports possible harassment or assists with an investigation.

Individuals found to have violated SWT's prohibition on harassment and offensive behavior will be subject to corrective action as described in section 2.04.

RESPONSIBILITIES OF EMPLOYEES

3.01 WORK HOURS AND ATTENDANCE

The success and efficient operation of SWT depends, to a large extent, on every employee being at work and contributing every day. While there may be legitimate reasons for being absent or tardy, unnecessary and unplanned absences should be minimal and not disrupt operations. Employees are encouraged to schedule personal appointments outside of regularly scheduled work hours.

Employees shall report absences or tardiness to their supervisor before the start of the workday or portion of the workday to be missed, except in the case of an emergency that makes such prior reporting impossible. If an emergency situation exists, the employee shall notify his or her supervisor as soon as possible. Unless instructed otherwise, the employee shall notify his or her supervisor each day of consecutive absence, giving the reason for the absence and an indication of when the employee will return to work. If the employee is unable to reach his or her supervisor directly, the employee should go up the chain of command until he or she is able to speak to a Director or the Chief Executive Officer.

Non-exempt employees must record the time away from work on their timecards. Employees will not be paid for the time missed from work unless personal leave hours are used.

When returning to work after an absence due to illness or injury of three (3) or more consecutive workdays, the employee shall provide his or her supervisor with a written statement from a doctor indicating that the employee is fit for duty and specifying any potential physical limitations. SWT also reserves the right to request that the employee provide a doctor's statement or any other verification document at any time.

If an employee is absent for three (3) or more consecutive days without notifying SWT, SWT may consider the employee as having voluntarily resigned his or her position with SWT.

Tardiness is reporting to work after your scheduled start time or leaving work early. This includes lunch and break periods as well.

The standard work period for full-time employees is forty (40) hours per week. A flexible work week may be approved by the Department Manager to enhance service delivery. Employees are expected to be in attendance during all scheduled hours of work. Normal work schedules and hours for full time and part time employees will be established by the Employee's Supervisor. Work hours may vary depending on the department, position, and season.

3.02 LUNCH AND REST BREAKS

A normal workday includes a lunch break of one half (1/2) hour per day of non-compensable time and two separate fifteen (15) minute compensable rest breaks. Lunch breaks in excess of one half hour can be arranged if approved in advance by the employee's supervisor. Lunch and rest breaks must be scheduled in such a manner to ensure continuity of customer service and so that a department is not left unattended during normal business hours. The length of the workday cannot be shortened by eliminating rest breaks or lunch periods unless an exception is made for an unusual circumstance and prior approval is obtained from the Department Director or Chief Executive Officer.

3.03 NURSING MOTHER BREAK TIME

SWT will provide reasonable break time daily for an employee to express breast milk for her infant child. The break time will be unpaid except to the extent it runs concurrently with paid break time already provided to the employee. SWT will make reasonable efforts to provide a private room or other location, in close proximity to the work area, other than a bathroom or toilet stall, that is shielded from view and free from intrusion and coworkers and that includes access to an electrical outlet. The break time must, if possible, run concurrently with any break time already provided to the employee.

3.04 OUTSIDE EMPLOYMENT

Although it is not encouraged, SWT recognizes that personal circumstances or interests may result in an employee seeking additional employment outside of SWT. An employee considering outside employment, including self-employment, should discuss the outside employment with his or her Department Director and the Chief Executive Officer.

Any employment outside of SWT must not compromise SWT's interests or the confidentiality of information. Regular full-time SWT employees are not allowed to be members of the SWT Commission or the mayor or a city council member of any of SWT's member cities.

In addition, SWT will not accept outside employment as an excuse for poor performance, absenteeism, tardiness, the inability to work required hours for the position at SWT, or any other failure to meet the performance expectations and legitimate business demands. If the employee's work performance at SWT is not satisfactory, he or she will be subject corrective action as described in section 2.04.

3.05 TOBACCO-FREE ENVIRONMENT

All SWT buildings and vehicles are designated as tobacco-free areas. Tobacco includes smoking, carrying a lighted cigarette, use of an e-cigarette, cigar or pipe and/or chewing tobacco. Tobacco may only be used outside of the buildings in designated areas and during an employee's fifteen (15) minute rest breaks or thirty (30) minute lunch break. Employees are responsible to keep the area outside the building free of cigarette butts and other debris.

3.06 VEHICLE USE

Agency vehicles are available to employees to attend meetings for official SWT business. Use of agency vehicles shall be controlled by the Chief Executive Officer and restricted to official SWT business and incidental uses which occur in the course of SWT business. No employee shall operate a SWT vehicle without a valid Minnesota driver's license appropriate for the vehicle operated. Employees operating a SWT vehicle shall comply with the Minnesota seat belt law and obey all traffic laws. When driving SWT vehicles, employees are expected to drive in a careful, courteous manner. Traffic violations must be reported immediately to the employee's supervisor and Human Resources. Any such violations incurred while driving on SWT business are the responsibility of the employee.

If an agency vehicle is not available for use, the employee will be reimbursed for use of their personal vehicle based on the reimbursement rate established by the IRS. Employees who travel on SWT business should request a copy of the SWT Meals and Travel Policy from the Human Resources.

3.07 PERSONAL USE OF SWT PROPERTY

Employees shall not use SWT equipment, vehicles, facilities, or materials for personal purposes except as expressly allowed by SWT. Any personal business should be conducted during allotted meal and rest breaks and should not interfere with the performance of work responsibilities.

Pager, Telephone, and Mobile Phone Use: Each person assigned a mobile phone or pager is responsible for the care and security of the equipment.

SWT telephones, mobile phones and pagers are to be used for official business. It is understood that some occasional personal use of SWT phones may be necessary during working hours. The number and length of personal calls are to be kept to an absolute minimum. Personal calls should be restricted to breaks and personal calls made at the employee's desk during their work shift should be made only when necessary and should not disrupt normal work functions. Personal mobile phones should be turned off during working hours, unless needed for SWT business use.

Personal long-distance calls on SWT telephone accounts are not allowed unless necessary to address a personal emergency and when approved in advance by the employee's supervisor. The employee shall reimburse SWT for any unapproved long-distance calls for which SWT receives a separate charge on its telephone bill. Other long-distance personal calls should be billed to an employee's personal calling card or made by calling collect so that the charges do not appear on SWT's account.

SWT mobile phones may be used for personal use as follows:

1. To inform a family member and/or significant other of a work situation (i.e., extended shifts) that will affect the employee's immediate plans or personal obligations; or
2. Personal or family emergencies.

The employee shall reimburse SWT for the cost of any personal calls made or received on a SWT mobile phone that exceed regularly billed costs for the mobile phone service. Reimbursement shall be at the rate established by the Human Resources plus any additional costs, such as roaming charges.

Employees that make or receive a call requiring reimbursement shall notify Human Resources in writing of the date, time, number of minutes and phone number, if applicable. Once SWT notifies the employee of the cost of the call, the employee shall pay SWT promptly.

Mobile Phone Allowance: Employees required to be available by phone when out of the office or during non-working hours may be paid a mobile phone allowance towards the use of their personal mobile phone with the approval of the Chief Executive Officer. The amount of the allowance shall be based on the estimated business use of the mobile phone; however, the allowance shall not exceed the monthly cost of SWT-provided phone service.

Classification of Telephone Records: Telephone records and bills are generally classified as "Public" pursuant to Minnesota Statutes Chapter 13, the Minnesota Government Data Practices Act, and therefore can be accessed by anyone, regardless of purpose, upon request to the Chief Executive Officer.

Copy Machine: Although SWT discourages the practice, employees may make personal photocopies on SWT copy machines if they promptly pay SWT the cost of the photocopies. Any personal photocopying shall be done after normal work hours so as to not interfere with SWT business. It is the employee's responsibility to report personal use of copiers to Human Resources along with payment for the personal use of the machine.

Fax Machine: Employees may send and receive local faxes provided that the faxes do not interfere with SWT business and the content is consistent with SWT policies and appropriate for a business setting. Employees should make an effort to send and receive personal faxes outside of normal business hours. It is the employee's responsibility to report personal use of fax machines to Human Resources along with payment for the personal use of the machine.

Postage Machine: Employees are not permitted to use the postage machine for personal business.

SWT Letterhead: Under no circumstances are employees permitted to use SWT letterhead for personal business or any purpose that is not SWT's official business.

SWT Property: SWT provides certain employees with various SWT property and equipment needed to perform their jobs, including computers, software, pagers, mobile telephones, keys, credit cards, etc. Employees are responsible for using such property and equipment for their intended business purposes. If any such property is damaged, defective

or in need of repair, employees shall promptly report this to their supervisor. The improper, careless, negligent, destructive or unsafe use of SWT property may result in:

1. The employee's obligation to personally replace the property; or
2. Corrective action as described in section 2.04.

Upon termination of employment, an employee shall account for and surrender all SWT property and equipment he or she has been provided. Failure to do so may result in SWT taking legal action to obtain the return of its property.

3.08 KEYS AND SECURITY

The security of SWT buildings, equipment, and files is of great importance and efforts must be made to protect the property from theft, vandalism and other risks.

Keys for SWT buildings and vehicles are issued only to employees with an absolute need. The keys are not to be shared with anyone outside the organization and are considered to be the responsibility of the employee to whom they are issued. Lost keys must be reported immediately to the employee's immediate supervisor or Department Director and Human Resources. All keys must be returned to the employee's immediate supervisor upon termination of employment.

Employees who are entrusted with safes or confidential files are required to ensure that these items are secure at the end of the day.

All employees must adhere to any and all security measures and/or guidelines of the facility they are working in.

SWT may provide desks, lockers, and other storage devices for the convenience of employees, but these devices remain the sole property of SWT. Any agent or representative of SWT may inspect these devices or any articles found within them at any time for any business reason, with or without prior notice.

SWT will not tolerate theft or the unauthorized possession of the property of other employees, SWT, visitors, and customers. SWT reserves the right to inspect persons entering and/or leaving any SWT facility, including their packages or other belongings. Employees who wish to avoid any such inspection should not bring such items onto SWT's premises.

If an employee works after hours, he or she should take any safety/security precautions available. Employees should see their supervisor for more information.

3.09 COMMUNICATIONS SYSTEMS

Applicability to Employees and Other Users: This communication systems provision applies to all regular full-time and part-time employees, temporary employees, interns,

volunteers, and any other individuals in all departments who are provided access to SWT's email system as necessary for their business purpose with SWT.

SWT provides email, computer, internet, fax machines, telephone, and voicemail systems, and may provide other new technologies in the future. These electronic systems are SWT property and intended to enable employees to do their jobs efficiently and productively.

Employees may engage in occasional personal use of electronic communication systems, including social media use (i.e. Facebook, LinkedIn, instant messaging, etc.), provided it is done during non-working time, such as breaks and lunch periods, and in accordance with this communications systems provision. Employees shall use caution and discretion to ensure that personal correspondence does not appear to be an official communication from SWT.

SWT's electronic systems are not totally private and confidential despite being password-protected. SWT reserves the right to intercept, monitor, copy, review, access, and download any communications or files that are created or maintained on these systems for purposes of security, compliance with SWT policy, and for any other business reason as provided by law. Employees should have no expectation of privacy when using any of these systems.

SWT also reserves the right to monitor, search, review, and access any and all business-related communications made through an employee's personally owned technology devices, accounts, and resources, or through a third-party service provider, as needed for compliance with policies.

Employees shall seek approval from a supervisor before downloading or uploading outside information from the internet to a SWT computer (other than by authorized personnel for legitimate business reasons). Downloading programs, software, graphics, or pictures of any kind is prohibited as these items may carry computer viruses or may violate SWT's license agreements.

SWT's electronic communication systems shall not be used to solicit others for non-business matters, including but not limited to commercial ventures, religious or political causes, or outside organizations.

In addition, these electronic systems shall not be used in ways that are disruptive, offensive, or harmful to others or in ways that conflict with any of SWT's rules, including those related to equal employment, harassment, confidentiality, and security. Violation of these rules may lead to corrective action. SWT-provided email accounts should not be used to send jokes, graphics, pictures, or other comments that may be discriminatory, harassing, offensive, or defamatory to others.

Inappropriate use of any SWT communication system may be grounds for corrective action as described in section 2.04.

General Information on Passwords: Use of a confidential password does not suggest that the system is for personal confidential communication, nor does it suggest that email is the property right of the employee. Use of the email system is for SWT business. Users should not share their password with anyone else.

Retention of Email: Generally, email messages are temporary communications that are non-vital and may be discarded routinely. However, depending on the content of the email message, it may be considered a more formal record and should be retained in accordance with the State of Minnesota records retention schedule. Examples of messages of this nature include: messages related to SWT policies and decision making, messages connected to specific projects, messages that are contract-related or otherwise an essential part of a larger record, and other memoranda documenting significant public business. As such, these email messages are similar to printed communication and should be written with the same care.

Employees should be aware that when they have deleted a message from their mailbox it might not have been deleted from the email system. The message may be residing in the recipient's mailbox or stored on SWT's back-up system.

Employee Termination, Leave of Absence, Personal Leave, and Other Absences: Employees who are terminated, on a leave of absence, or laid off have no right to the contents of their email messages and are not allowed access to the email system unless approved by the Chief Executive Officer. Department Directors and supervisors may access an employee's email if the employee is on a leave of absence, personal leave, or is transferred from one department to another department, and access is necessary for the conduct of SWT business.

3.10 SWT SPONSORED EMPLOYEE EVENTS

SWT will coordinate an ongoing program to provide for employee-related activities and events designed to demonstrate appreciation, express recognition, acknowledge, motivate, and provide for social interaction. The program will be operated with allocated budgeted resources and will be designed to provide a positive working environment for employees.

Attendance by SWT employees at these company-sponsored events during non-scheduled hours is voluntary. Employees who attend SWT-sponsored employee events and are not working at the event will not be paid for this time.

Attendance by employees at SWT-sponsored employee events during scheduled work hours is expected unless absence from the event is approved by the employee's supervisor. Employees that attend SWT-sponsored employee events during scheduled work hours will be compensated consistent with their approved work schedule during the SWT-sponsored event.

Subject to budget authority, SWT may conduct up to three annual employee events, such as an employee picnic or barbecue or an employee recognition event, held in conjunction

with the SWT contractor for drivers. Voluntary potluck lunches may also be held on SWT premises with the approval of the Chief Executive Officer.

3.11 EMPLOYEE APPEARANCE

SWT, through its employees, is committed to projecting a professional, positive image. Therefore, employees shall exercise good personal hygiene and present a clean, neat appearance to the public and co-workers. This will ensure the appearance of a professional work force and contribute toward a pleasant and customer-friendly environment.

All employees of SWT shall adhere to the appearance standards contained and established in this section unless a written internal department policy is adopted. Employees and their supervisors should exercise good judgment in the application of this section, with consideration of the organization's public image, the nature of the work performed, the degree and nature of customer contact, and safety standards. Employees who have been provided with work uniforms must wear them while on duty. Generally, in the administrative offices, business casual may be worn on most workdays. Jeans, t-shirts, sweat shirts and tennis shoes may be worn every Friday unless business dictates more professional attire. Consideration should be taken and will be given to employees in regards to special assignments, circumstances, or job function. The Department Manager may determine inappropriate attire for any workday. The Chief Executive Officer may also designate apparel standards for certain other workdays as appropriate.

SWT reserves the right to establish standards of dress and appearance consistent with the workplace. Jewelry should be worn in moderation and in good taste. Employees should consider scheduled appointments and meetings, the people involved, and how they will be dressed. This section applies to all regular workdays unless a specific exemption day is provided such as a spring cleanup day, etc.

Off-Duty Use of Uniforms: SWT-provided uniforms shall not be worn when off duty, except for travel to and from the workplace.

3.12 EMPLOYEE ACCESS TO PERSONNEL DATA

Employee records are maintained in a location designated by the Chief Executive Officer. Personnel data is retained in personnel files, finance files, and benefit/medical files. Information is used to administer employee salary and benefit programs, process payroll, complete state and federal reports, document employee performance, etc.

Employees have the right to know what data is retained, where it is kept, and how it is used. All employee data will be received, retained, and disseminated according to the requirements of the Minnesota Government Data Practices Act.

BENEFITS

4.01 MEDICAL AND GROUP INSURANCE

The following is a list of insurance benefits available to regular full-time and regular part-time employees who work 32 or more hours per week. These benefits are effective on their date of hire. Employees should see Human Resources for more detailed information.

Health Insurance: SWT makes available basic health insurance coverage to regular full-time employees, regular part-time employees working 32 or more hours per week, and their dependents. SWT will contribute toward the cost of the basic health insurance premiums for both employee and dependent coverage, though the contribution level may vary. Additional costs for coverage must be paid by the employee through a payroll deduction.

Dental Plan: SWT makes available basic dental insurance to regular full-time employees, regular part-time employees working 32 hours or more per week, and their eligible dependents. SWT will contribute toward the cost of the premiums for both employee and dependent coverage, though the contribution level may vary. Additional costs must be paid by the employee through a payroll deduction.

Life and AD&D Insurance: SWT provides life and Accidental Death & Dismemberment (AD&D) insurance for regular full-time employees and regular part-time employees working 30 or more hours per week. The benefit amount is reduced when the employee reaches age 65.

Short-Term Disability Income Continuation: Regular full-time and regular part-time employees are eligible for coverage under SWT's short-term disability (STD) policy. The policy provides income protection in case of an extended absence due to illness or injury. A disability is defined as a physician certified non-work related injury or illness (including pregnancy) that precludes an employee from working.

Coverage is available for up to 90 days.

Eligible employees must be absent seven consecutive calendar days to be considered for short-term disability benefits. The STD benefit provides 100 percent of the employee's base rate of pay at the time the absence began.

Long-Term Disability Income Continuation: SWT provides long-term disability (LTD) coverage to regular full-time employees and regular part-time employees working 32 or more hours per week to ensure further income protection to individuals experiencing a disability which limits their ability to return to work. Plan benefits are coordinated with benefits payable from Social Security and PERA. The premium for long-term disability is paid by the employee through a direct payroll deduction. The employee pays any additional payroll taxes on the premium amount.

Voluntary Insurance: SWT may assist in arranging additional voluntary life or accident insurance for the employee, the employee’s spouse, and/or the employee’s child(ren), depending on the offering(s) of an insurance carrier. Participation is voluntary and the costs are borne by the employee through payroll deduction. The insurance company may impose restrictions for open enrollment and may require evidence of insurability.

No benefit offered by SWT establishes a contract or promise of employment, or of any particular terms, benefits or duration of employment, nor is intended to modify the at-will nature of anyone’s employment with SWT. Unless otherwise prohibited or required by law, SWT reserves the right to add to, amend, or change benefit providers and/or eligibility and coverage provisions or terminate any benefit at any time, in its sole discretion without notice.

4.02 PERSONAL LEAVE PLAN

SWT recognizes that traditional vacation and sick leave policies do not always meet employees’ needs and SWT provides personal leave in place of those programs to provide more flexibility to its employees and discretion in their use of paid time off.

Employees can use personal leave subject to approval from their Department Director or supervisor. See your supervisor or Human Resources for form(s) to request time off.

Accrual of Personal Leave: Employees begin to earn personal leave as of their first day of employment with SWT but are not eligible to use the leave during their first six (6) months of employment. The Chief Executive Officer may grant use of personal leave during an employee’s first six months of employment in the case of an emergency. The amount of personal leave earned by employees is based upon years of service and exempt or non-exempt status with SWT. Exceptions to the personal leave rate of accrual may be made by the Chief Executive Officer.

All regular full time employees accrue personal leave based on the schedule below:

Annual Personal Leave Earned – years of service is based on initial hire date

Personal Leave Regular Full-Time Employees Non-Exempt		
Years of Service	Hours Earned/Pay Period	Equals Hours Earned/Year
0 to 5 Years	4.93 hours	128 hours
5 to 10 Years	6.46 hours	168 hours
10 Years	6.77 hours	176 hours
11 Years	7.08 hours	184 hours
12 Years	7.38 hours	192 hours
13 Years	7.69 hours	200 hours
14+ Years	8.00 hours	208 hours

Personal Leave Regular Full-Time Employees Exempt		
Years of Service	Hours Earned/Pay Period	Equals Hours Earned/Year
0 to 5 Years	6.46 hours	168 hours
5 to 10 Years	8.00 hours	208 hours
10 Years	8.31 hours	216 hours
11 Years	8.62 hours	224 hours
12 Years	8.93 hours	232 hours
13 Years	9.23 hours	240 hours
14+ Years	9.54 hours	248 hours

Regular Part-Time Employees: A regular part-time employee who works 20 or more hours per week will be eligible for personal leave. The amount of personal leave earned will be determined and prorated by the actual number of hours worked. Personal leave hours are earned each payroll period with earned but not used hours carried over to the next calendar year.

Use of Personal Leave: Employees may only use personal leave once it is earned. For a planned leave of absence from work, employees must receive prior approval from their Department Director or supervisor. This will ensure that there are enough employees to perform all necessary job duties in the employee's department during their absence. For an unplanned leave of absence from work due to an illness or an emergency, employees shall notify their Department Director or supervisor, as soon as the need for unplanned leave is known, by following the call-in procedures under Section 3.01 of this Manual.

If a regularly scheduled holiday falls during an employees' use of personal leave, the holiday will not be considered part of the personal leave. (See Holidays)

Personal Leave Accrual, Carry Over and Cash-Out: Employees will be allowed to accumulate leave greater than twice their annual accrual rate during the year, but must use or reduce their leave balance to twice their annual accrual rate or less by the end of the year. Employees cannot carry over more than twice their annual accrual rate to the following year. Hours in excess of twice the employee's annual accrual rate at the end of the year are forfeited and will not be paid. In addition, the maximum of personal leave payout upon termination or resignation is twice an employee's annual accrual rate.

Employees may elect to cash out a maximum of 40 hours of their personal leave twice annually on June 1st and December 1st of each year. Employees must notify SWT that they wish to cash out the personal leave days on or before May 1st and November 1st of each year. ~~Under no circumstances may an~~ Except as provided in this next paragraph, no employee may cash out more than 80 hours annually. Employees may not elect to cash out personal leave that would bring their PTO bank below 40 hours. The cash-out will be at the employee's current base rate of pay.

In exceptional circumstances, the Chief Executive Officer may permit an employee to (1) carry over more than twice the employee's annual accrual rate to the first quarter of the following calendar year, and such excess hours shall be forfeited at the end of such quarter if not used or cashed-out in accordance with clause (2); and (2) cash out hours carried over under clause (1), subject to availability of budgeted funds. Any cash-out under clause (2) of this paragraph must occur no later than March 31 and shall not prohibit the employee from cashing out up to 80 additional hours under the preceding paragraph.

Employees may elect to take any cashed-out hours as ordinary compensation or as an employee-deferred contribution to the employee's health savings account (HSA) or voluntary employees beneficiary association (VEBA) plan account. The employee must notify SWT of how the employee elects to take the cash-out at the time that the employee notifies SWT of the employee's desire to cash out personal leave hours.

Termination of Employment: Earned personal leave time shall be paid to employees as taxable income at the time of termination of employment if the employee leaves in good standing and provides a minimum of two weeks' notice.

Personal Leave Accrual While Receiving Short- and Long-Term Disability: Employees receiving short-term disability benefits will continue to accrue personal leave for the first ninety (90) calendar days of receiving short-term disability benefits in a year.

Personal leave accruals will cease when an employee is receiving benefits for long-term disability.

Personal Leave Donation: In certain emergency situations, such as a major life-threatening illness, the Chief Executive Officer may approve transfer of personal leave from one employee to another and limit the number of total hours that can be transferred to any one employee. Donation of personal leave is strictly voluntary. The recipient must have exhausted his or her personal leave account and will not accrue personal leave while receiving donations. If approved by the Chief Executive Officer, employees may donate personal leave to other employees with the following conditions:

- A request must be made to Chief Executive Officer either by the employee or by the employee's supervisor with the employee's consent.
- The donor must have a minimum of 40 personal leave hours to ensure adequate coverage for his or her own emergency absence.
- Personal leave donations shall be limited to 24 hours per donor to any one employee per year.
- Personal leave must be donated in full hours only and will be exchanged on an hour-for-hour basis.

4.03 REIMBURSEMENT ACCOUNTS

Flexible Spending Accounts allow employees to make payroll deductions to a pre-tax account and to use this money to pay for dependent care costs or medical/dental/vision expenses not covered by insurance. It also allows for certain insurance premiums to be automatically deducted from the employee's paycheck on a pre-tax basis. Employees must

use this money during the current plan year or they may lose it, as prescribed by IRS rules and regulations. Regular full-time and regular part-time employees become eligible to participate in the plan on their date of hire and should see Human Resources for more detailed information.

4.04 RETIREMENT BENEFITS

PERA: Retirement benefits are provided to SWT employees through the Public Employees Retirement Association (PERA). Both SWT and the employee contribute to PERA through payroll deductions. Benefits vest after five years of service.

Deferred Compensation: SWT makes available to its regular full-time employees a deferred compensation pension plan. The maximum amount is controlled by the IRS and may be adjusted on an annual basis. These voluntary programs offer the employee an additional financial planning tool to use in designing their retirement plan.

Employees should see Human Resources for more detailed information.

4.05 HOLIDAYS

SWT provides paid holidays in the observation of the following holidays:

New Year's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Four (4) Floating Holidays for Non-Exempt Employees

Five (5) Floating Holidays for Exempt Employees

For additional information and procedures relating to paid holidays, employees should see Human Resources for a copy of the Time-Off Holidays Policy.

4.06 EMPLOYEE ASSISTANCE PROGRAM

SWT provides an Employee Assistance Program for confidential assessment and referral services designed to assist employees and their dependents in solving any personal problems they may have. Employees and dependents have access to counselors 24 hours a day. Problems including depression, family communication, financial concerns, chemical dependence, or legal issues are assessed and individuals are referred to appropriate services agencies for treatment and further counseling if necessary.

4.07 LEAVES OF ABSENCE

Unless otherwise noted, the following leaves of absence will be unpaid. Employees may use personal leave if available.