

**STATE OF ALABAMA
DEPARTMENT OF FINANCE
EMPLOYEE HANDBOOK**



**Department of Finance
Office of Personnel
64 North Union Street, Suite 203
Montgomery, AL 36130
Telephone: (334) 242-3199
Fax: (334) 353-0868**

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Dear Finance Employee:

The strength and vitality that the Alabama Department of Finance enjoys today is due in no small part to the many important contributions made by each of its employees. The state of Alabama benefits greatly from the dedication and professionalism that each of you brings to your work.

As a state agency, the Department of Finance takes special interest in the well-being of everyone in our state. The policies, benefits, and services described in this handbook reflect that concern. I encourage you to take advantage of the many opportunities and resources available to you for your personal growth and professional development.

I hope you will derive much satisfaction and personal fulfillment in knowing the vital contribution that you make to the success of our agency.

Kelly Butler
State Finance Director

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SECTION 1: GENERAL INFORMATION

This Employee Handbook (Handbook) has been developed to provide employees of the Department of Finance (Department) with a written summary of the personnel policies, rules, and standards of conduct which govern employment. Employees are responsible for reading, understanding, and complying with all policies and procedures included herein.

The information contained in this Handbook is not all-inclusive and is subject to change at any time by order of the Finance Director, Acts of the State Legislature, changes in the *Rules of the Alabama State Personnel Board*, legal decisions made by various courts, opinions issued under the authority of the Alabama Attorney General, or due to the business needs of the Department. While the Department will normally attempt to provide employees with notice of any change, the Department reserves the right to suspend, revise, or revoke any of its policies, procedures, and/or practices at any time with or without notice.

Nothing contained in this Handbook or any verbal statement should be construed as creating any type of employment contract, either expressed or implied.

SECTION 2: THE MERIT SYSTEM

2.1 PURPOSE

The State's Merit System Law was passed in 1939 and now appears in the *Code of Alabama 1975*, § 36-26-1. The purpose of the merit system, as stated in the law, is as follows:

“To assure all citizens of demonstrated capacity, ability and training an equal opportunity to compete for service with the State of Alabama, to establish conditions in the state service which will attract officers and employees of character and capacity and to increase the efficiency of the governmental departments and agencies by improvement of the methods of personnel administration.”

2.2 EMPLOYEE RIGHTS & RESPONSIBILITIES

The merit system offers employees protection against job discrimination and unfair dismissal. It provides protection for employees who have earned it through the merits of their job performance. For example, an employee is protected against demands unrelated to the performance of his or her job, such as:

- An employee cannot be forced to pay any political contribution or assessment.
- An employee cannot be forced to vote “as you are told.”
- An employee cannot be fired for failing to “vote right” in any election.
- An employee cannot be replaced by someone who happens to have more “clout.”

However, employment can be terminated for cause. Employees are required to earn the protection of the system by following work rules, fulfilling job responsibilities, and demonstrating acceptable levels of conduct. Some examples of rule violations for which employees can be terminated from state service include, but are not limited to:

- Neglect of job responsibilities.
- Violations of work rules or regulations implemented by the State Personnel Board and/or the Department.
- Drawing compensation for any day or partial day when the employee did not perform a full or partial day's work or were on unauthorized leave.
- Inappropriate use of state equipment.
- Showing partiality, unfairness, or discourtesy in dealing with the public and/or co-workers.
- Displaying an uncooperative or unpleasant behavior towards fellow employees and/or supervisor.
- Obtaining employment under fraudulent conditions, misstatements, or an exaggeration of facts.

Further details on terms and conditions of employment are specified throughout this Handbook. Adherence to such policies is imperative and serves as a prerequisite for continued employment with the Department.

SECTION 3: EQUAL EMPLOYMENT OPPORTUNITY/CIVIL RIGHTS COMPLIANCE

3.1 EQUAL OPPORTUNITY STATEMENT/COMPLAINT POLICY

The Department provides all individuals with equal employment opportunity without discrimination or harassment based on race, color, national origin, religion, sex, pregnancy, age, disability, genetic information, or any other characteristic protected by law. No employment-related practice, including any term or condition of employment, shall be based, in whole or in part, on discrimination or harassment or on any employee's opposition to such conduct or participation in an investigation of such conduct.

Any employee who feels that he or she has been discriminated against based on one or more of the statuses listed above should file a complaint with the Finance Director. Complaints should be filed as soon as possible after the occurrence of the alleged discrimination or harassment.

In addition to internal complaint procedures, employees also have the right to appeal to the State Personnel Board under Chapter 670-X-4, Prohibition of Discrimination, *Rules of the Alabama State Personnel Board*.

Complaints of unlawful employment discrimination may also be filed with the Equal Employment Opportunity Commission (EEOC), Birmingham District Office, 1130 22nd Street South, Suite 2000, Birmingham, Alabama 35205. Complaints must be filed with the EEOC within 180 calendar days of occurrence.

Note: Employees who believe they have been aggrieved in a non-EEO matter that affects his or her employment or work environment should seek resolution through their chain of supervision.

3.2 PROHIBITION OF HARASSMENT & DISCRIMINATION

Title VII of the Civil Rights Act of 1964, as amended, "prohibits discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment based on race, color, religion, sex, or national origin."

It is the policy of the Department that the work environment be free of unlawful discrimination and harassment. Harassing behavior, either physical or verbal, will not be tolerated. The Department will take all reasonable steps to discourage unlawful discrimination and harassing behavior from occurring and will impose appropriate corrective action where it identifies any such discrimination or harassment.

1. Harassment – Harassment is verbal or physical conduct that shows hostility or aversion toward an individual because of his or her race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law or that of his or her relatives, friends, or associates, and that:
 - Has the purpose or effect of creating an intimidating, hostile, or offensive work environment.
 - Has the purpose or effect of unreasonably interfering with an individual's work performance.
 - Otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes, but is not limited to:

- Slurs or negative stereotyping.
 - Threatening, intimidating, or hostile acts.
 - Denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through electronic media.)
2. Sexual Harassment – Sexual harassment includes unwelcome sexually oriented conduct that is sufficiently pervasive or severe to unreasonably interfere with an employee's job performance or creates an intimidating, hostile, or offensive working environment.

While sexual harassment encompasses a wide range of conduct, some examples of specifically prohibited conduct include but are not limited to:

- Promising, directly or indirectly, to give an employee special treatment or benefits for complying with a sexually oriented request.
- Threatening, directly or indirectly, to retaliate against an employee if the employee refuses to comply with a sexually oriented request.
- Denying, directly or indirectly, an employee an employment-related opportunity if the employee refuses to comply with a sexually oriented request.
- Engaging in sexually suggestive physical contact or touching another employee in a way that is unwelcome.
- Displaying, storing, or transmitting pornographic or sexually oriented materials using state equipment or facilities.
- Commenting about an individual's body, sexual prowess, or sexual deficiencies.
- Making insulting or obscene comments or sexual gestures.
- Engaging in indecent exposure.
- Making sexual or romantic advances toward an employee and persisting despite the employee's rejection of the advances.

In addition to the types of sexual harassment which are described above, another variety of sexual harassment exists. In this variant, the conduct is not necessarily of a sexual nature. Instead, the harassment includes negative hazing, intimidation, or offensive remarks about members of a particular sex. This type of harassment is also impermissible.

Sexual harassment can be physical and/or psychological in nature. The combination of a series of incidents can constitute sexual harassment even if one of the incidents considered on its own would not be harassing.

Sexual harassment can involve harassment by members of either sex or the same sex. Although sexual harassment typically involves a person in a greater position of authority as the harasser (the victim's supervisor), it could also be a supervisor in another area, a co-worker, a subordinate, or someone who is not an employee of the Department. Consensual sexual or romantic relationships between employees, consumers, vendors and/or contractors are deemed unwise and are strongly discouraged especially if one employee has supervisory authority over the other employee.

3.3 COMPLAINT PROCEDURE

The Department will not terminate, demote, harass, or otherwise retaliate against anyone who makes a complaint about discrimination or harassment on the job or because they participate in any investigation or other proceeding relating to an allegation of discrimination or retaliation.

The Department strongly urges the reporting of all incidents that employees perceive as being discriminatory, harassing, or retaliatory, regardless of the alleged harasser's identity or classification/position. Individuals who believe they have experienced conduct that amounts to illegal discrimination, harassment, or retaliation or who have concerns about workplace conduct they have observed should:

- Promptly report the incident to his or her immediate supervisor.
- In the event the alleged harasser is the employee's supervisor, the employee should report the conduct to his or her next level supervisor.
- If the employee is uncomfortable reporting the complaint to any member of his or her supervisory chain of command, the employee should report the conduct to the Finance Personnel Director or to the Finance Chief Legal Counsel.
- In the event the alleged harasser is the Finance Personnel Director, or if the employee is uncomfortable reporting the matter to the Finance Personnel Director, the employee should report the conduct to the Finance Chief Legal Counsel.
- Any allegations regarding the Finance Chief Legal Counsel should be reported to the Finance Director.
- If an employee feels he or she has been subjected to unlawful discrimination or harassment by the Finance Director, the employee should report the allegations to the Finance Chief Legal Counsel.

In no event shall the employee's complaint of harassment or discrimination be filed with or appealed to the alleged harasser.

Employees should not feel obligated to file their complaints with their immediate supervisor before bringing the matter to the attention of one of the designated representatives identified above.

3.4 INVESTIGATION

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of discrimination and harassment. Therefore, employees are encouraged to report any incidents of unlawful discrimination and/or harassment to the appropriate member of management as soon as possible to aid in the investigation and attain a prompt resolution.

The recipient of an allegation of harassment, discrimination, and/or retaliation must immediately notify the Finance Personnel Director or the Finance Chief Legal Counsel. The Finance Legal Division will investigate, which may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. If an allegation originates in the Finance Legal Division, the Finance Director will appoint an independent investigator. Confidentiality will be maintained throughout the process to the extent possible.

The Department will complete its investigation of the complaint within 60 days of receiving the complaint, reserving the right to extend the time required to complete the investigation should the Finance Director deem such an extension to be necessary.

3.5 CORRECTIVE ACTION

Misconduct constituting harassment, discrimination, or retaliation will be dealt with promptly and appropriately. Corrective action may include, for example, training, referral to counseling, monitoring of the offender, and/or disciplinary action such as warning, reprimand, suspension without pay, demotion, and/or termination. It may be necessary, for the good of the Department or to improve the effectiveness of the supervisor, to reassign and/or transfer the employee engaging in the prohibited conduct.

3.6 PROHIBITION OF RETALIATION

The Department prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. The same corrective action as in 3.5 above will be considered when faced with a violation of this section.

SECTION 4: AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act (ADA) prohibits employment discrimination against qualified individuals with disabilities and was designed to remove barriers that prevent qualified individuals with disabilities from enjoying the same opportunities as individuals without disabilities.

4.1 POLICY

This policy is to provide assurance that the Department will comply with all provisions of the ADA, as amended by the ADA Amendments Act of 2008. The Department will not refuse to hire, dismiss from employment, or discriminate in compensation or other terms of employment because of an otherwise qualified employee's or applicant's mental or physical disability. The Department does require that all its employees, including those with disabilities, be able to perform the essential functions of their job or jobs for which they apply.

Consistent with the ADA, it is the policy of the Department, upon request, to provide reasonable accommodation to the known physical or mental limitations of an otherwise qualified employee or applicant with a disability, unless such accommodation would cause an undue hardship.

4.2 DEFINITIONS

Disability - A person with a "disability" is an individual who (a) has a physical or mental impairment that substantially limits one or more major life activities, (b) has a record of such impairment or (c) is regarded as having such impairment.

Major Life Activities – These are activities that an average person can perform with little or no difficulty. Examples include walking, seeing, hearing, speaking, breathing, learning, performing manual tasks, caring for oneself, and working. Major bodily functions such as functions of the immune system, respiratory system, circulatory system, and reproductive functions are also included.

Qualified Individual with a Disability - A person with a disability who satisfies the requisite skill, experience, education or other job-related requirements of the employment position that such individual holds or desires, and who, with or without reasonable accommodation, can perform the essential functions of such position.

Essential Functions - Essential functions are the basic job duties that an employee must be able to perform with or without reasonable accommodation. Essential functions are limited to the duties fundamental to a job or task and do not include marginal functions. Generally, a task is an essential function if:

- The performance of the task is the reason the position exists.
- A limited number of employees are available to perform the task.
- The task may require highly specialized expertise, limiting hiring to persons with those skills or training.

Tasks may also be considered essential job functions based one's judgment, written job descriptions and task statements, statutory requirements for the job, current and past work experience, the amount of time spent on the job function, and the consequences of failure to perform the function.

Reasonable Accommodation - Reasonable accommodation is any modification or adjustment to a job, an employment practice, or the work environment that makes it possible for an individual with a disability to enjoy an equal employment opportunity unless the Department can show that the accommodation would cause an undue hardship. The ADA does not require lower quality or quantity standards to make an accommodation. Nor is the Department obligated to provide personal use items, such as glasses, hearing aids, or a wheelchair, as accommodations.

Undue Hardship - An accommodation that would require an unreasonably large amount of money or resources or result in a significant negative impact its ability to conduct business.

4.3 REASONABLE ACCOMMODATION PROCEDURE

If an employee is impaired and cannot perform the essential functions of his or her job, the employee shall notify the immediate supervisor of the impairment and then submit a request for a reasonable accommodation to the Finance Personnel Director or his or her designee. Medical documentation of the disability shall be required and requested by the Finance Personnel Director. Upon receipt of the medical information, the Finance Personnel Director shall meet with the employee, if feasible, and immediate supervisor to evaluate the situation to determine if the employee has a disability covered by the ADA.

Consideration must be given to the extent, duration and impact of the impairment in determining whether the impairment is temporary. Temporary, non-chronic impairments that do not last for a long time (less than six months) and that have little or no long-term impact usually are not disabilities under the ADA.

If the medical information provided reflects that the impairment is a disability under the ADA as defined above, and if the employee is unable to perform job functions, the Finance Personnel Director shall consider the employee's request with the immediate supervisor as to whether the accommodation is reasonable and does not cause a hardship.

4.4 EXCEPTIONS

Undue Hardship - The ADA does not require that an employer provide an accommodation if it will impose an undue hardship on the operation of its business. Undue hardship is defined by the ADA as an action that is "excessively costly, extensive, substantial, disruptive, or would fundamentally alter the nature or operation of the business." In determining undue hardship, factors to be considered include the nature and cost of the accommodation in relation to the size, the financial resources, the nature and structure of the employer's operation, as well as the impact of the accommodation on the specific facility providing the accommodation.

Health and Safety - The Department may require that an individual not pose a "direct threat" to the health or safety of himself or herself or others. A health or safety risk can only be considered if it is "a significant risk of substantial harm," not a slightly increased risk. An assessment of "direct threat" must be strictly based on a valid medical analysis and/or other objective evidence and not on

speculation. Like any qualification standard, this requirement applies to all employees, not just to employees with disabilities.

4.5 COMPLAINT PROCEDURE

An employee with a complaint regarding the ADA should first discuss the matter with his or her immediate supervisor or a higher-level supervisor in the chain of supervision. If the matter remains unresolved, the employee may file a complaint with the Finance Personnel Director. The Department is committed to promptly and fairly resolving such complaints.

If an employee is not satisfied with the Department's resolution of the complaint, he or she may file a complaint with the Equal Employment Opportunity Commission (EEOC). Complaints must be filed within 180 days of the date of the alleged violation to be considered by the EEOC.

SECTION 5: CLASSIFICATION & PAY PLAN ADMINISTRATION

The State Personnel Director is statutorily obligated to administer and maintain the Classification and Pay Plan subject to approvals by the State Personnel Board or the Governor. The Finance Personnel Director is responsible for ensuring compliance with guidelines established under such rules. Division Directors are required to coordinate with the Finance Personnel Director all personnel actions associated with the Classification and Pay Plan. Supervisors shall not contact the State Personnel Department directly concerning classification and pay requests without the approval of the Finance Director, an Assistant Finance Director or the Finance Personnel Director.

5.1 CLASSIFICATION PLAN

The Classification Plan is made up of approximately 1,359 job classifications. Every position in state service is allocated to one of the classifications established by the Classification Plan. Positions allocated to a classification are deemed substantially similar with respect to difficulty, responsibility, and character of work; require generally the same kind and amount of training and experience for proper performance; and merit approximately equal pay. A class specification is composed for each classification to provide a rationale for the grouping of positions for pay purposes.

A Position Classification Questionnaire (Form 40) for each position must be composed and maintained by the Finance Personnel Division. The Form 40 is a position control tool that identifies the specific duties and responsibilities of a position. The information from the Form 40 is analyzed by the State Personnel Department Classification and Pay Division (hereinafter “Class and Pay”) to determine the most appropriate allocation within the Classification Plan.

5.1.1 ESTABLISHING A NEW POSITION

If additional staff is necessary to maintain efficient operations, a Division Director should coordinate with the Finance Personnel Division to determine the possibility of establishing an additional position. If deemed appropriate, a memorandum of justification and a Form 40 for the new position must be prepared by the Division Director and forwarded to the Finance Director for approval. Approved requests will prompt the Finance Personnel Division to submit a formal request to the State Personnel Director. Staff from the State Personnel Class and Pay Division will review the information to determine the appropriateness of the request and, if additional information is required, may perform a desk audit of the job. The State Personnel Class and Pay Manager will notify the Finance Director of the final decision in writing.

5.1.2 REALLOCATING AN EXISTING POSITION TO ANOTHER CLASSIFICATION

If the duties and responsibilities of a position have changed significantly and are more in line with another job classification than that to which it is assigned, the position may be reassigned to another job classification through a process called reallocation. A memorandum of justification and a Form 40 for the position must be prepared by the Division Director and forwarded to the Finance Director for approval. Approved requests will prompt the Finance Personnel Division to submit a formal request to the State Personnel Director. Staff from the State Personnel Class and Pay Division will review the information to determine the appropriateness of the request and may perform a desk audit of the job if more information is needed. The State Personnel Class and Pay Manager will notify the Finance Director of the final decision in writing.

If the position being reviewed is filled, it is necessary to determine if the incumbent may be reallocated along with the position. The Rules of the State Personnel Board state that an incumbent

may be reallocated if he or she has been performing the duties that are the basis for reallocation for one year and if his or her name is among the upper one-half of those on the register at the time of original placement on the register OR the incumbent has been performing the duties that are the basis for the reallocation for five years or more and his or her name appears on the eligible list.

If an employee is reallocated, he or she is not eligible for a promotional increase unless such increase is necessary to place him or her at the minimum of the new salary range. The employee is reallocated into the new job classification with status, meaning he or she is not required to complete a probationary/working test period. If the employee's salary rate remains the same after the reallocation, his or her annual raise date will not be modified.

5.1.3 UPDATING OR CHANGING DUTIES

When the duties/responsibilities of a position have changed substantially, a new Form 40 must be completed and submitted to the Finance Personnel Division, who will forward it to the State Personnel Department.

5.2 PAY PLAN

The Pay Plan is composed of pay ranges, which have a minimum and maximum semi-monthly rate that is divided into steps. Employees increasingly move through a pay range using the steps in accordance with rules governing salary rate advancement.

The State Personnel Director assigns classifications to pay ranges using prevailing rates of pay in outside private and public employment for comparable work, recruiting and turnover experience, the relative value and importance of classifications in the state service, the maintenance and benefits received by state employees, the state's financial condition and economic policies, and other relevant factors. The State Personnel Director is responsible for recommending any amendment to the Pay Plan that will correct inequities or bring about improvements in salary administration either on his or her own initiative or at the direction of the State Personnel Board or of the Governor, or upon request of the Finance Director.

5.3 SALARY ADMINISTRATION

5.3.1 SALARY RATE UPON INITIAL APPOINTMENT

The salary rate of a new employee upon entrance into state service shall normally be the minimum rate of the salary range for the classification to which he or she is being appointed. A new employee is an applicant who has not been employed with a State entity within the last four years. Exceptions are state interns and student aides.

If it should prove impossible to obtain qualified personnel at the minimum salary rate, the Finance Director may approve a hiring rate above the minimum rate but not to exceed the maximum rate of the salary range assigned to the classification. The above minimum hiring rate will be based on the recent salary of the new employee and other factors established by the Finance Director.

5.3.2 SALARY RATE UPON PROMOTION

The salary rate of an employee who is promoted may be increased to that rate in the higher range that will provide an increase of up to two steps (about 5%). An employee cannot be paid less than the minimum rate of the higher range. The promotional salary increase shall be effective on the date

of promotion, which shall always be at the beginning of a pay period. No annual raise shall be made during an employee's probationary period.

If the employee does not successfully complete probation and is returned to the former position, the rate of the employee shall be adjusted to the rate paid before promotion or to that higher rate the employee might have achieved had the anniversary date occurred during the probationary period in the higher position. In this case, the employee's anniversary date remains the same as it was prior to the promotion.

5.3.3 SALARY RATE UPON THE COMPLETION OF PROBATION

An employee who successfully completes a probationary period may be granted a probationary raise of up to two steps effective the first day of the first full pay period after probation ends. An employee can be granted a two-step raise if his or her overall service rating is in the "Meets Standards" category.

Employees that have permanent status in a classification and are appointed from a certification to a classification with a lower or same pay range must serve a probationary period but are not eligible for a probationary raise unless they did not receive one in their former classification.

Employees hired from a reemployment register at the third step of the range or above are not eligible for a probationary raise increase.

5.3.4 ANNUAL RAISE CONSIDERATION

Every employee shall be considered for a performance salary advance (annual raise) each year on the anniversary date of the last salary increase. The granting of across-the-board cost-of-living raises by the Legislature does not change the consideration date for performance salary advances.

5.3.5 SPECIAL MERIT RAISE

Any recommendation for a salary increase in less than 12 months, or for an amount greater than the State Personnel Board rules governing performance increases permits, is considered a Special Merit Raise. The State Personnel Board considers the granting of Special Merit Raises to be justified by extraordinary performance beyond that exhibited at an Exceeds Standards or Consistently Exceeds Standards level. Probationary employees are not eligible for Special Merit Raises.

As with other raises, Special Merit Raises must stay within the salary range assigned to the employee's classification. The granting of a Special Merit Raise changes the employee's annual raise date.

5.3.6 SPECIAL MERIT BONUS

The Finance Director may recommend to the State Personnel Board, for its approval, a Special Merit Bonus for an employee with permanent status in his or her classification who has performed an exceptional act outside of their normal duties and responsibilities. It is a one-time unique situation to reward an exceptional circumstance and may not be utilized as a "job performance-based bonus." An employee may only receive one bonus of any kind within a 24-month period, excluding longevity pay. The bonus must conform to guidelines and limits established by the State Personnel Department. The bonus is a lump sum payment in addition to an employee's normal salary and will not be used in the calculation of retirement or other benefits.

The Finance Department has adopted a process by which a Division Director may recommend an employee for a Special Merit Bonus. A Division Director may submit to the Finance Director a letter

explaining the exceptional act that the employee performed. The letter must include the exceptional act, what made it exceptional, and how it impacted the Department. If approved by the Finance Director, the request will then require the approval of the State Personnel Board.

5.3.7 RETENTION BONUS

The Finance Director may give a Retention Bonus to retain an employee with permanent status in his or her classification who occupies an essential or critical position with the Department. An employee may only receive one bonus of any kind within a 24-month period, excluding longevity pay. The bonus must conform to guidelines and limits established by the State Personnel Department. The bonus is a lump sum payment in addition to an employee's normal salary and will not be used in the calculation of retirement or other benefits.

The Finance Department has adopted a process by which a Division Director may recommend an employee for a Retention Bonus. A Division Director may submit to the Finance Director a letter explaining why the employee is critical and/or essential and should be offered a Retention Bonus and stating no disciplinary issues within the last 12 months along with a copy of the employee's most recent performance appraisal and the written job offer from an outside employer. If approved by the Finance Director, the employee must sign an agreement to stay with the Department for a minimum or one year up to a maximum of two years. Should the employee fail to stay with the Finance Department the agreed upon period, the Department will recoup the full amount of the previously paid retention bonus from the employee's last pay check.

5.3.8 SALARY RATE UPON RETURN TO WORK AFTER RESIGNATION

The salary rate of an employee who returns to work after a voluntary resignation, in good standing, and appointed from a reemployment register, may be assigned to the rate of pay closest to the salary at the time of resignation to include any Cost of Living Adjustments.

5.3.9 SALARY RATE UPON DEMOTION

Upon involuntary demotion, the salary must be reduced to at least the maximum rate for the new classification. Upon voluntary demotion, if the employee had two years or more of status in the higher classification, he or she may retain the salary rate achieved if that rate is within the salary range of the lower classification.

5.3.10 STEP DIFFERENTIALS

Step differentials are pay incentives assigned to employees required to work under special situations (e.g., shift work or travel away from assigned base over 50% of an employee's work schedule). Such differentials usually consist of two steps being added to an employee's base pay. The step differential is applied only when the employee is working under qualifying conditions. Upon a change of duties, the employee must be returned to his or her base pay. When an employee receiving a differential leaves state service, the employee must be returned to his or her base pay prior to the calculation of any leave payment.

5.3.11 VOLUNTARY FURLOUGH

Upon the approval of the State Personnel Director, the Finance Director may enact a voluntary furlough plan applied to the entire Department. Participation in the voluntary furlough is at the sole discretion of the employee. A voluntary furlough does not affect retirement, insurance, leave, time of service, status, or other state benefits.

5.3.12 VOLUNTARY DECREASE OF SALARY

An employee may voluntarily take a diminution (decrease) in salary by signing a written acknowledgement of this action.

SECTION 6: EMPLOYEE SELECTION

6.1 POSITION CLASSIFICATION

The State Personnel Department has responsibility for the merit classification of positions to classes, the reallocation of positions from one class to another, the establishment of new classes, and the abolition of existing classes.

6.2 NEW APPOINTMENTS

The effective date of an initial appointment into state service must be the first day of work and may be any day during the pay period.

6.3 TYPES OF APPOINTMENTS

All vacancies in the classified service shall be filled by transfer, promotion, demotion, original appointment, reemployment, temporary appointment, emergency appointment, exceptional appointment, provisional appointment, direct appointment, or conditional appointment as provided by the Merit System Act.

6.3.1 ORIGINAL APPOINTMENT

An original appointment is a selection by the appointing authority from the names certified by the State Personnel Department of a person to occupy a permanent position subject to a working-test (probationary) period of at least six months.

6.3.2 TEMPORARY APPOINTMENT

A temporary appointment is the appointment of a person for a temporary period not to exceed 104 days worked.

6.3.3 PROVISIONAL APPOINTMENT

A provisional appointment is made when there is no appropriate register from which a regular appointment can be made or when there are fewer than three available candidates. A provisional appointment does not serve a probationary period or attain permanent status. In no case is a provisional appointment to be continued for more than 156 days worked.

6.3.4 DIRECT APPOINTMENT

A direct appointment is the appointment of a qualified person without qualifying on an examination by applying directly to state departments. The status of persons appointed through direct appointment is the same as any merit system employee. They serve the same probationary periods and are eligible for the same raises and benefits.

6.3.5 UNSKILLED APPOINTMENT

An unskilled appointment is the appointment of a qualified person to a position that involves unskilled or semiskilled manual labor. Because these persons are not hired competitively, they are not eligible for permanent status and are not considered merit system employees.

6.3.6 TRANSFER

A classified employee can transfer from one agency to another after securing approval from both appointing authorities and the State Personnel Director. An employee who plans to transfer to or accept an appointment with another state agency must submit a notice of transfer letter to the Finance Director with copies to the Finance Personnel Director and the employee's immediate supervisor at least two weeks prior to the effective date of separation. Transfers and appointments with another state agency must be effective the first day of a pay period.

When an employee transfers from one merit state agency to another merit state agency both appointing authorities must agree to the transfer and the disposition of the leave balances before the transfer is effective. Any accumulated annual or sick leave may be transferred to another merit agency. Accumulated compensatory time obligations are not transferable between departments and must be liquidated prior to transfer. Employees must pay any bereavement leave balance due to the Department prior to transferring. The Department will not accept transferring employees with an advanced sick leave and/or bereavement leave balance.

Employees serving a probationary period are required to be in a certifiable position on the appropriate register at the time of the transfer. Probationary employees should not be transferred unless the transfer is first authorized by the State Personnel Director.

6.3.7 REEMPLOYMENT

Former employees who held permanent status in the classified service and who left service in good standing are entitled to have their names placed on a reemployment list for certification to vacancies in the same, comparable, or previous classification he or she held. The State Personnel Department dictates placement on the reemployment register, including waiting periods, salary rate, and any subsequent probationary period.

Waiting Period after Separation – Employees who are separated from state service and received payment for accrued annual leave cannot be reemployed until the break in service is equal to the amount of work days for which they received payment or unless they repay the difference.

Salary Rate – An individual may be appointed from a reemployment register at the same pay rate or the closest rate to the salary he or she was earning at the time of separation. However, the employee may be hired at a lower salary rate if he or she agrees to accept it.

Probationary Period - A reemployment appointee serves at least a three-month probationary period as opposed to the normal six months required for a new appointee. However, probationary periods can be extended at the request of the employee's supervisor if additional training and/or observation is required. Other provisions apply to employees who were separated from service due to a layoff.

Retired State Employee – State merit system retirees are eligible for reemployment using the hourly, conditional classification of Retired State Employee. Appointments are made following regular reemployment guidelines. State merit system retirees who are no longer eligible for reemployment (retired more than 4 years), can have their name added to a regular register for the Retired State Employee classification by filing an application through the regular examination process. Annual salaries paid to Retired State Employees must be within the limits established by the Retirement Systems of Alabama.

NOTE: Individuals who were public officials, directors, assistant directors, department or division chiefs, purchasing or procurement agents having the authority to make purchases, or any person who

participated in the negotiation or approval of contracts, grants or awards are specifically prohibited by the “Revolving Door Provision” of the State Ethics Law from entering into a contract with or otherwise accepting reemployment with the agency or department from which they separated from service for a period of two years after that separation (*Code of Alabama 1975, § 36-25-13*). Any individual who falls under the above definition may not be rehired as a “retired state employee” by the department from which they were last employed for a period of two years. Questions concerning the applicability of the “Revolving Door” to a specific situation should be referred to the Alabama Ethics Commission.

6.4 BACKGROUND INVESTIGATIONS

To assure that each job applicant is suitable for employment by the Department, there shall be a verification of education, training, character references, and any other information that might be appropriate, for each permanent and temporary new hire, reemployment, appointment, and contract personnel completed prior to a conditional offer of employment or engagement being made final and the employee beginning work. Each prospective employee to whom a conditional offer of employment has been extended and accepted must complete the forms required for the background check.

A criminal record does not disqualify a prospective employee, as all circumstances surrounding the employee’s criminal offense will be considered.

1. Preliminary Action

The hiring Division Director or his or her designee will have the prospective employee complete the following forms and forward the completed forms to the Finance Personnel Division.

- Alabama Background Check (ABC) System Criminal History Record (CHR) report waiver
- Department of Finance Authorization for Release of Information and Release of Liability Form
- Department of Finance Relative Information form

2. Criminal Background Check

A. The Finance Personnel Division will utilize the ABC System, which is administered by the Alabama Criminal Justice Information Center, working in partnership with the Alabama Administrative Office of Courts and the Alabama Law Enforcement Agency (ALEA). The ABC System fee for the background investigation will be charged to the hiring division.

Note: ALEA does not allow online background check requests on individuals younger than 19, therefore, individuals under the age of 19 may be hired with the understanding that their background check will be conducted when they reach the age of 19 and that they will not gain permanent status, if applicable, until such time.

- B. The ABC System will provide the criminal history record to the Finance Personnel Division. The Finance Personnel Division will review the criminal history record to decide if the prior criminal record should disqualify the employee. The Finance Personnel Division will notify the Division Director of the results.
- C. Information received because of the background investigation will be maintained in the Finance Personnel Division.
- D. A criminal record does not disqualify a prospective employee. All circumstances will be considered.

3. Verification of Background Information

- A. It is the responsibility of the supervisor conducting the interviews to verify education and training credentials.
- B. It is the responsibility of the supervisor conducting the interviews to contact former employers and character references. Contact results shall be maintained by the Division Director.
- C. Information adverse to the employee will not be made known to the prospective employee.

4. Retention of Results of Background Check

- A. Information received because of the background investigation will be maintained in the Finance Personnel Division. The information will only be used for determining suitability of the employee for a specific job and will be held in confidence and shared with management only on a need-to-know basis.
- B. All information obtained through the ABC System will be destroyed after six months.

5. Miscellaneous

If it is determined that material information in an application is false, the Finance Personnel Division will be notified, and the conditional offer of employment will be withdrawn. The Finance Personnel Division will submit a request to the State Personnel Department to remove the applicant from the register.

6.5 EMPLOYMENT OF RELATIVES

No employee of the Department shall appoint or enter into a personal service contract with any person related to him or her within the fourth degree of affinity or consanguinity to any position. Any person within the fourth degree of affinity or consanguinity of a public employee shall not be the immediate supervisor for or in the chain of command of, or participate in the hiring, evaluation, reassignment, promotion, or discipline of, the public employee within any state department, board, bureau, committee, commission, institution, corporation, authority, or other agency of the state (*Code of Alabama 1975, § 41-1-5(c)*). Appointments include temporary, provisional, or direct appointments, including but not limited to laborer positions.

SECTION 7: GENERAL WORK RULES & STANDARDS OF CONDUCT

7.1 PURPOSE

The Department's responsibilities require employees to interact with the public and other state, federal, and local government entities. Therefore, it is critical that each employee adhere to high ethical standards in all business relationships and provide courteous, fair, and competent service while performing their job responsibilities.

To ensure that the highest ethical and moral standards are exhibited by our employees, the Department expects each employee to adhere to the General Work Rules and Standards of Conduct included in this section. These General Work Rules and Standards of Conduct are not all-inclusive and there is no implication that discipline may not be imposed for other sufficient reasons. (*Rules of the State Personnel Board*, as amended, Chapter 670-x-19-.01).

All employees have an obligation to read, understand, and comply with the rules and standards included herein. Failure to abide by these standards may result in disciplinary action up to and including termination from state service.

7.2 GENERAL WORK RULES

In addition to any special rules issued by the Department for the guidance of employees, the State Personnel Board has published the following standard general work rules that apply to all classified employees.

Violations that normally result in disciplinary actions of increasing severity:

- Absenteeism - Unexcused absence, unreported absence, a pattern of absence, or excessive absences.
- Tardiness - Not on the job ready to work at the beginning of the work shift.
- Inattention to job - Doing anything distracting while on the job.
- Failure to perform job properly.
- Abuse of equipment.
- Unauthorized and/or unlicensed operation of vehicles, machinery, or equipment.
- Participation in unauthorized activity or solicitation on work premises.
- Violations of specific Department rules.

More serious violations that may result in suspension or discharge on the first offense, considering work record and length of service:

- Violations of safety rules.
- Insubordination - Failure to follow an order; disobedience; failure to submit to authority as shown by demeanor or words, with the one exception of not following an order that the employee has good reason to believe is unsafe or illegal.
- Theft or unauthorized possession of state property.
- Fighting.
- Use of abusive or threatening language.
- Falsification of records - application for employment, time card, doctor's excuse, etc.

- Possession and/or use of alcohol, narcotics, or other illegal substances on state property.
- Sleeping on the job.
- Leaving before the end of the normal scheduled work hours/walking off the job.
- Serious violation of any other Department rule.
- Leaving job station without permission.
- Disruptive conduct of any sort.
- Conduct unbecoming a state employee.
- Destruction of state documents or records.
- Unauthorized possession of a firearm in a state building.

The listing of violations above is not meant to be all inclusive and does not imply that discipline may not be imposed for other sufficient reasons nor does it mean that termination cannot occur for the first violation.

7.3 WORK HABITS

Work habits are terms and conditions of employment. When someone says “yes” to a job, they are saying “yes” to compliance with the four work habit areas as defined below. Failure to comply with work habits may result in the following of Progressive Discipline procedures. (See Section 12: Progressive Discipline.)

7.3.1 ATTENDANCE

Leave must be taken in accordance with Department policy and procedures and in compliance with appropriate federal employment law. Leave should be utilized in a way that assures productivity is maintained and work is not disrupted. Neither annual leave nor sick leave is considered a right for which employees may make demand, but each is considered a privilege granted to be used in accordance with applicable laws and prescribed rules and regulations.

It is a requirement of each job that each employee must report to work on time and work all scheduled work hours as well as any required overtime. If an employee is ill or unable to report to work on schedule, the employee must notify their supervisor or designated personnel within the first hour of their shift. Voice mail messages and/or leaving a message with another employee are strongly discouraged unless there is no alternative. If an employee must leave work before the conclusion of his or her shift, permission must be obtained as soon as possible from the immediate supervisor or designated personnel.

An employee who has been absent three consecutive days without calling to speak with his or her immediate supervisor or designated personnel may be considered by the Department to have voluntarily resigned.

Disciplinary action may occur if an employee exhibits a pattern of absenteeism despite having sufficient leave to cover those absences. Examples include consistently missing a specific day of the week, the day before or after a holiday, or payday. This provision shall not apply to absences which were approved in advance by an employee’s supervisor.

Family and Medical Leave Act (FMLA) leave and military leave are two attendance areas that are to be provided to an employee that qualifies without consequences or retaliation to the employee’s evaluation.

7.3.2 PUNCTUALITY

Punctuality is the timing of the employee's arrival to work, return from lunch and breaks, and departure from work. Employees are expected to be at their respective workstation and ready to work at the assigned time. When the position requires that an employee routinely work outside the office as a daily necessary requirement of the job description, the employee's dependability to timely keep appointments and attend meetings should be considered as the definition for punctuality.

7.3.3 COOPERATION WITH COWORKERS

Cooperation with coworkers within the Department is the extent to which an employee works with and does not hinder coworkers in their work to achieve the goals and directives of the work unit. Employees should not interfere with the productivity of coworkers in other work units and should always work with others to ensure that productivity is maximized, and goals are met.

7.3.4 COMPLIANCE WITH RULES

Compliance with rules is defined as the employee's conformance to established Department rules, policies, and procedures, and to the general work rules as outlined in the *Rules of the State Personnel Board*. Work habits focus on those State Personnel and Department regulations that involve standards of conduct and apply to all employees. Violations of work rules normally result in disciplinary actions of increasing severity; however, more serious violations may result in suspension or discharge on the first offense. The following will be considered on all disciplinary actions for serious violations of work rules: work rule violated, work record of employee, and length of service of employee.

7.4 PROFESSIONAL BEHAVIOR AND CONDUCT

Employees are expected to demonstrate high standards of personal integrity and must conduct themselves in a professional manner. An attitude of cooperation and respect is expected of every employee. Interaction with fellow employees must not cause dissention or discord. The following are examples of inappropriate conduct that will not be tolerated and may subject the employee to disciplinary action:

- Malicious or excessive griping.
- Loud, disruptive talking that affects the activities of other employees.
- Vulgar, profane, abusive, or threatening language.
- Emotional outbursts directed at another individual.
- Jokes that demean another individual or group of individuals.
- Name calling or nicknames that may be offensive.
- Refusing to communicate or speak with another individual.
- Offensive verbal, visual, or physical conduct.
- Repeated negative comments about others.
- Offensive conduct/behaviors which are threatening, humiliating, or intimidating.
- Criticism that is delivered with yelling and screaming.
- Knowingly blaming other individuals for a mistake, they did not make.
- Gossiping about another individual.
- Work interference (sabotage) that prevents work from getting done.

Employees are expected to perform their assigned duties conscientiously and to respond readily to the direction of supervisors. Failure to comply with a supervisor's instructions, arguing with a

supervisor, and resisting authority are unacceptable and may subject the employee to disciplinary action.

7.5 WORKPLACE BULLYING/VIOLENCE

Employees are entitled to be treated with dignity and respect and work in an environment free from bullying. Bullying is defined as, “repeated inappropriate behavior, either direct or indirect, whether verbal, physical, or otherwise, conducted by one or more persons against another or others, at the place of work and/or during employment.” To establish and maintain such a working environment, it is essential that supervisors remain attentive to employee behavior and recognize and confront issues that appear to constitute bullying.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when considering any corrective action.

Employees who believe they have/are being subjected to workplace bullying/violence by a co-worker, supervisor, manager, or any other individual (whether or not employed by the Department), or who believe their employment is being adversely affected by such conduct, should report such incidents to their immediate supervisor. In cases where an employee feels threatened or uncomfortable reporting such conduct to their immediate supervisor he or she should report the conduct to a higher-level supervisor within his or her chain of supervision, the Finance Personnel Director and/or Finance Chief Legal Counsel. A prompt, thorough, and impartial investigation will be conducted with special efforts to keep the matter confidential.

An employee who is intentionally non-compliant with the provisions included in this section may be subject to disciplinary action up to and including the termination of his or her employment with the Department.

Employees who are judged as exhibiting dangerous or potentially dangerous behavior must be advised of this assessment and offered available counseling services through the Employee Assistance Program (EAP). Supervisors are responsible for notifying the Finance Personnel Director and/or Finance Chief Legal Counsel immediately upon observing such behavior; documenting unacceptable behavior; and offering EAP and relaying the employee’s response to the offer to the Finance Personnel Director. (See Section 9.3 Employee Assistance Program.)

Any employee who, based on supervisory judgment, appears dangerous toward other individuals or is deemed unfit to perform his or her duties safely will be prohibited from continuing to work and be placed on mandatory leave. Such employees will not be able to return to work until they receive a release from a licensed physician indicating a fitness for duty. The failure of an employee to comply with an assessment and counseling recommendation may be subjected to disciplinary action up to and including the termination of his or her employment.

7.6 DRESS AND APPEARANCE

As a state employee, the public’s impression of Department operations is influenced heavily by the appearance of its employees. During regular business hours, when functioning as a business representative, employees are expected to be dressed and groomed in a manner that projects a professional and business-like image. At the discretion of management, exceptions may be made in

writing for reasons including but not limited to an employee who works after normal business hours; performs certain physical tasks as a part of his or her job; is assigned a special work assignment; or has a documented medical condition that prevents the employee from wearing certain types of clothing.

Examples of appropriate/inappropriate dress in the workplace are being provided to make certain employees understand what the Department defines as a professional and business-like image. Given the wide variety and ever-changing styles of dress, this list is not intended to be all-inclusive.

7.6.1 APPROPRIATE DRESS EXAMPLES

Clothing that is clean and free of wrinkles

Clothing that is suited for activities scheduled that day (public contact or meetings)

Suits, sport coats, dress shirts, ties, and dress slacks

Dresses, skirts, pants, blouses, sweaters

Polo, golf, and sport shirts

Dress sandals, loafers, and boots

7.6.2 INAPPROPRIATE DRESS EXAMPLES

Clothing not properly laundered or having tears or holes

Visible undergarments

Clothing with inappropriate advertising, slogans, or emblems

Revealing, see-through, or strapless attire

Clothing that does not fit properly (too tight or too baggy)

Sweat suits or wind suits

Shorts or skorts

Short skirts or dresses (more than 3 inches above the knee)

Skirts or dresses with revealing splits

Tank tops, halter-tops, or crop tops

Hats or caps indoors

Flip-flops, house/bedroom shoes, Crocs, or sneakers

Open-toe shoes worn around heavy equipment or machinery

Some occasions may be designated as casual days on which employees may wear jeans, but employees are still to present a neat appearance, with no ripped or disheveled clothing, athletic wear, or other inappropriate clothing.

7.6.3 PERSONAL APPEARANCE

Professional appearance means employees are to maintain good personal hygiene and grooming while working. Hairstyles shall project a professional appearance. Earrings are acceptable; however, facial piercings, or other visible body piercings may not be worn while working. Tattoos must be covered while working if they are, or could be, considered offensive.

If an employee has a question concerning whether a certain type of clothing is appropriate, he or she should ask his or her supervisor prior to wearing the clothing. Should the supervisor find that the employee is in violation of the dress code, the employee will be sent home to change and will be placed on annual leave or leave without pay during this time. Employees who continue to violate the dress code may be disciplined under the Progressive Discipline system.

7.6.4 SCENT IN THE WORKPLACE

The Department recognizes that employees and visitors to the workplace may have sensitivity to and/or allergic reactions from various fragrant products. Employees, therefore, should use scented products conservatively. Fragrant personal products (perfumes, colognes, lotions, powders, and other scented products) are to be worn sparingly by employees. Scents that offend or disturb the work of other employees, customers, or vendors are prohibited. Other fragrance products (scented candles, potpourri, scented sprays/deodorizers and other similar items) are not permitted. All employees should practice commonsense rules of good taste and respect for coworkers.

Management reserves the right to determine appropriate scent(s) in the workplace at all times and in all circumstances and may send employees home to remove scent(s) should they be determined not appropriate. Employees will be placed on annual leave or leave without pay for this time away from work.

Employees requiring a reasonable accommodation, for bona fide health reasons, regarding their reaction to scented products used by coworkers or to scent(s) emitted as a result of business processes should contact their supervisor or Finance Personnel to discuss.

7.7 IDENTIFICATION/CARD KEYS

Identification cards, security cardkeys, and/or badges are issued to employees only to establish identity, authority, and/or to gain access to Department facilities relating to official job duties. The decision to require employees to openly display identification cards during work hours is delegated to managers with consideration being given to an employee's work location and/or job requirements.

Employees must not loan their security cards to anyone, including other employees. Employees must report a broken or lost security card to the appropriate authority as soon as possible so the cardkey can be deactivated in the system. Employees may be held responsible for fees associated with the replacement of broken or lost cardkeys.

Upon separation from employment, including mandatory leave and suspensions, employees must return security cardkeys, identification cards, and office keys to their supervisor. Returned items will then be forwarded to the appropriate official.

7.8 PERSONAL BUSINESS AND OTHER PERSONAL ACTIVITIES

No employee shall engage in any activity other than regular duties during working hours which materially interfere with the performance of his or her duties or the performance by other employees of their duties. This includes but is not limited to selling jewelry, makeup, or other merchandise to other employees, lending money for profit, sponsoring various sales parties, etc. Under no circumstances shall employees utilize Department facilities or equipment for personal gain. Employees shall not meet with a salesperson in Department space during work hours to discuss products or services, or to deliver previously ordered products.

7.9 PERSONAL VISITORS IN THE WORKPLACE

The Department understands that occasions arise where personal visitors such as family members and friends visit the workplace. On such occurrences, employees are expected to respect their coworkers by limiting the amount of time personal visitors are present. While visiting, they are not

allowed to use state equipment, access work products, be unsupervised, or engage in the performance of the employee's job responsibilities. Employees who provide access to or allow such activity will be held accountable for the personal visitor's actions and may be subject to disciplinary action.

Employees shall not bring their children or grandchildren to work in lieu of making childcare arrangements. When emergency circumstances occur, such as a weather-related closure of a school or childcare facility, an employee with the permission of his or her supervisor may be granted leave to provide the needed childcare.

7.10 PRIVATE EMPLOYMENT

No employee shall engage in employment in the private sector during scheduled working hours. An employee may accept employment in the private sector so long as the employment does not cause any conflict of interest nor materially interfere with assigned work or otherwise materially affect performance of the employee's duties in the Department.

Employees must request approval, in writing, from their Division Director prior to seeking employment in the private sector. The employee must specify the name of the employer and the capacity in which he or she will perform. The Division Director has authority to authorize the employment if it does not violate any Department policy or laws. Unusual requests for private employment should be referred to the Finance Director.

Some employees are prohibited from engaging in any private sector employment by specific laws. An example is § 36-1-11, *Code of Alabama 1975*, which may be read to prohibit any private sector employment activity, even during breaks and lunch periods. Other statutes that apply to a specific job or position absolutely prohibit the holder of that job or position from holding a private sector job in addition to a state job. No employee shall be employed by an entity that does business with the Department.

Use of state property to operate a private business is prohibited. This prohibition covers conducting any non-state business activity of any type while on duty or in a state facility or vehicle. State property includes an employee's time, office supplies, and equipment such as telephones, computers, email, Internet, copier, printers, motor vehicles, paper, or postage.

7.11 TELEPHONE/CELL PHONE USAGE

Employees may not use state telephones or offices to conduct their own business for profit or act as agent for others to take orders for merchandise. Telephone solicitation to or by an employee is prohibited. State telephone work numbers will not be listed for sales of personal items.

It is recognized that situations may arise where state telephones must be used for personal matters such as emergency family problems, scheduling doctors' appointments, etc., when these calls cannot normally be made on off-duty hours. However, all employees are cautioned to keep such calls to an absolute minimum number and time of use, and to refrain from making long distance calls or those which involve payment of a toll or charge for personal reasons. Misuse of state telephones will not be tolerated and may result in disciplinary action.

Personal cell phones and texting for personal reasons should not be used in the workplace when that use would materially interfere with the performance of an employee's duties or the performance by another employee of his or her duties. Texting during meetings should be kept to a minimum unless the text is related to the meeting or other professional duties. Personal cell phones must be kept on vibrate or mute always in meetings or elsewhere in the workplace where necessary to avoid distracting other employees.

All laws regarding cell phones and texting must be observed while driving state vehicles.

Any employee using a personal device to connect to the State network must abide by the State Mobile Device Management Policy.

7.12 WORKING FROM HOME OR ANOTHER REMOTE LOCATION

Upon an employee's request, and at the discretion of their Division Director, due to extraordinary circumstances, an employee may be allowed to work from home or another location on a short-term basis. Working from home or another location different from the employee's usual duty station on a recurring basis shall require the written approval of the Finance Director. Such request must be submitted in writing directly to the employee's supervisor. The request shall state in detail the circumstances necessitating the employee's request and be accompanied by written information from third parties, as appropriate, to support the circumstances, as well as state specific dates of departure and return.

To meet eligibility criteria, the employee must have permanent status and no documented disciplinary actions within the last 12-month period; the employee's responsibilities can be readily and effectively performed at an alternate work site; and the work assigned must have easily defined and measurable outcomes.

7.13 WORKING OUT OF CLASS

An employee will not be routinely assigned to work on a permanent basis beyond the scope of the specification for his or her job classification. In extraordinary circumstances, and only with the concurrence of the Finance Director, a supervisor may assign duties outside the employee's classification.

7.14 ALABAMA ETHICS LAW

It is important that there be public confidence in the integrity of Finance operations. Thus, no public employee should use his or her position with the Department for private gain other than the remunerations provided by law. All employees are expected to understand and abide by Alabama Ethics Laws, which can be seen in its entirety in the *Code of Alabama 1975*, § 36-25-1 through § 36-25-30.

Public employees required to file the Statement of Economic Interests required by the *Code of Alabama 1975*, § 36-25-14, shall participate in an online educational review of the Alabama Ethics Law provided on the official website of the commission. Newly hired employees have 90 days from the date he or she begins employment to complete the educational review. Completion of the educational review will automatically be reported to the Alabama Ethics Commission.

Questions concerning the ethics law should be referred to the Finance Legal Division or the State Ethics Commission.

7.15 PROHIBITION OF POLITICAL ACTIVITIES

Each employee may participate in city, county, state, or national political activities to the same extent as any other citizen of the State of Alabama, which includes the right to join and contribute to political clubs, organizations, and parties; publicly support issues and candidates; make financial contributions; hand out campaign literature; put up campaign signs in his or her yard; and express his or her individual opinions on political subjects and candidates. However, an employee may not use any state funds, equipment, email, vehicles, or supplies for such political activity. In addition, an employee must be away from the work place and on approved leave or holiday or on his or her own personal time before or after work to engage in these activities. It is the employee's responsibility to ensure that his or her conduct and representations are such that no one may reasonably perceive the employee's views, position, or actions as officially representing those of Finance.

An employee may not use his or her official authority or influence for affecting an election, even if on his or her own time and away from the workplace. If an employee is a supervisor, he or she may not solicit any contributions from his or her subordinates or force or attempt to force them to refrain from working in any political campaign or cause.

Any employee who seeks public office must notify the Finance Director in writing of his or her intention to run in an election for public office.

7.16 ALCOHOL/DRUGS IN THE WORKPLACE

The Department of Finance expects its employees to be free from the effects of alcohol and illegal drugs while on the job or in the workplace. Therefore, the use or possession of alcohol or illegal drugs, or working while under the influence of alcohol or illegal drugs, is strictly prohibited. This includes while an employee is on duty, during breaks (including lunch breaks), in the workplace, or on state premises. The possession and use of a lawfully prescribed medication is permitted, however, employees are expected to exercise discretion and sound professional judgment when taking lawfully prescribed medication to ensure the medication does not impair the ability to perform job duties satisfactorily.

Should the use of alcohol or illegal drugs interfere with an employee's mental and/or physical condition at work, appropriate action must be taken to maintain a safe workplace. Any employee, in any position or grade, who exhibits strange, abnormal, or unusual behavior while on duty that creates a reasonable suspicion that the employee is under the influence of alcohol or illegal drugs may be required to submit to a drug and/or alcohol screen. Employees struggling with substance abuse issues are encouraged to seek appropriate assistance. (See Section 9.3, Employee Assistance Program.)

Employees who violate this policy may be subject to disciplinary action, which may include immediate suspension or termination of employment.

7.17 TOBACCO USAGE

The Department has an interest in maintaining a safe and healthy environment for all employees and visitors. For this policy, smoking means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, or pipe. Tobacco products are defined as all forms of tobacco, including but not limited to, cigarettes, cigars, pipes, electronic cigarettes, smokeless tobacco products, and vape pens. All Department facilities and vehicles are smoke and tobacco free. Employees may smoke or use tobacco in designated smoking areas outside of buildings. Smokers who desire to smoke during their scheduled work hours must do so during their authorized break period(s). Preferential treatment of smokers such as granting multiple breaks from assigned duties is prohibited.

A Tobacco Cessation Program is provided by the State Employees Insurance Board (SEIB) for subscribers and their covered spouses. Program literature can be obtained through the SEIB Wellness Program or website.

7.18 FIREARMS

All employees are strictly prohibited from carrying deadly weapons inside state facilities and vehicles. Employees who violate this policy may be subject to disciplinary action, which may include immediate suspension or termination of employment. A deadly weapon is defined as a firearm or anything clearly designed, made, or adapted for the purposes of inflicting death or serious physical injury.

7.19 CONTACT WITH THE NEWS MEDIA

The Finance Director or his or her designee(s), shall serve as the only authorized news media spokesperson for the Department. News media is defined as reporters or other representatives of the print media such as newspapers and magazines; online media such as blogs and websites; broadcast media such as radio and television stations; other third-parties which may have communication with media representatives. Except as provided for the release of general information by a Division Director, if an employee is contacted by the news media, the employee shall not provide any statements and shall refer the inquiry to the Finance Director or his or her designee.

Employees shall not initiate contact with the news media or issue any statements to the news media regarding the operations and policies of the Department and information generated by the Department in the conducting of its business, or otherwise discuss Department matters with the news media without prior approval from the Finance Director or his or her designee(s).

7.20 EMPLOYEE/WITNESS STATEMENTS

Employees may be required to make written or verbal statements in conjunction with due process/disciplinary hearings, grievance/harassment complaints, and investigations by supervisors or other designated personnel. Employees shall cooperate fully to include, but not limited to, providing truthful and complete information or written and/or verbal statements. Any employee, who knowingly provides false information, intentionally omits facts, is evasive in answering questions, or refuses to provide information shall be subject to disciplinary action, up to and including dismissal. Any employee, who threatens, harasses, intimidates, or coerces another employee during such hearings or investigations shall be subject to disciplinary action, up to and

including dismissal. This policy is not intended to replace and does not conflict with an individual's rights against self-incrimination in situations that may lead to criminal prosecution for the violation of a law.

7.21 OFFICIAL DOCUMENTS

All records and documents generated and maintained by an employee using state resources are Department property and must be used for official purposes only. Employees are not to remove, conceal, alter, mutilate, or destroy records or documents, or to remove or attempt to remove with the intention of performing any of the above actions. Employees must not remove records and documents from official files without approval from the proper Department authority. Disposal, destruction, or distribution of Department documents is to be made in accordance with established procedures.

Employees will be held accountable for the loss, disappearance, or theft of official documents when attributable to neglect or carelessness.

7.22 CONFIDENTIALITY OF INFORMATION

All information received by an employee in the performance of his or her job should be considered confidential and not disclosed to external parties or to employees without a "need to know." If an employee questions whether certain information is considered confidential, he or she should first check with his or her immediate supervisor. Discussions involving confidential information must be in a private setting.

7.23 REQUESTS FOR PUBLIC RECORDS AND RESPONDING TO SUBPOENAS

7.23.1 POLICY

The Alabama Open Records Act, *Code of Alabama 1975*, § 36-12-40, governs the right of Alabama citizens to obtain public records. It is policy of the Department that public records will be disclosed in a time-efficient and fiscally-responsible manner. Exceptions to the Act must be strictly interpreted and applied only in those cases where disclosure will cause undue harm or embarrassment, or where the public interest will be adversely affected.

The Department will respond appropriately to legally-issued subpoenas in a time-efficient and fiscally-responsible manner, recognizing the corresponding obligation of the Department to be a good steward of taxpayer funds that pay the cost of the services rendered by the Department in the performance of its many statutory charges.

7.23.2 PROCEDURE

The procedure for implementing this policy shall apply to requests for public records by Alabama residents and to subpoenas and other discovery. It is intended to provide compliance with policy and relevant laws, in a time-efficient and fiscally responsible manner, while providing for the partial recoupment of the costs of processing requests to the extent authorized by law.

1. Notifying the Chief Legal Counsel. All records requests and subpoenas shall be sent to the department's Chief Legal Counsel. He or she will facilitate the response to all subpoenas and records requests, except for requests from the media.

2. Records Requests by the Media. Every records request from a member of the media must be sent to the Department Communications Director immediately. The Communications Director will facilitate the response to all media records requests. Prior to production, the Chief Legal Counsel shall review any records to be produced to the media.
3. Deviations from this Procedure. The Director of Finance may authorize deviations from this procedure, in writing, at his or her sole discretion.
4. The Records Request Process. An Alabama resident requesting public records for inspection must adhere to the instructions for Requesting Public Records and submit a completed Request for Public Records Form.
5. Requests from Other State Entities. Requests from other state entities may be submitted in writing in lieu of using the Request for Public Records Form. Charges for responding to interagency records requests may be waived on a case-by-case basis.
6. Protected Information. Department records may include certain types of information that are protected from production. These exceptions include, but are not limited to: sensitive personnel records, pending criminal investigation records, trade secrets, and confidential financial or commercial information.
7. Electronic Production Preferred. The preferred manner of production of public records is electronic format. This manner of production may be altered on a case-by-case basis as determined by the Chief Legal Counsel.
8. Department Records Maintained by the Office of Information Technology (OIT). Some Department records are stored and maintained by OIT. The Chief Legal Counsel shall forward requests for such records to OIT.
9. Public Information. This policy and procedure will be made known to any citizen seeking to view public records in the custody of the Department. This policy and related documents shall be available on the Department's website.

7.24 LITIGATION DATA PRESERVATION

7.24.1 POLICY

The Department will comply with all laws governing the preservation of records, including electronic records, for litigation or in anticipation of litigation. The Legal Division will administer the policy.

7.24.2 PROCEDURE

When a lawsuit is filed involving the Department, its divisions, or its employees, or if a dispute exists that may develop into litigation, all hard-copy and electronic documents, existing or created thereafter, related to the dispute or the litigation, must be retained and preserved until otherwise notified by the Legal Division.

1. When a lawsuit is filed against the Department, one of its divisions, or one of its officers or employees in official capacity, the summons and complaint shall be forwarded to the Legal Division as soon as possible.

2. The Legal Division shall draft and send a document preservation notice (also known as a “litigation hold letter”) to stakeholders including all appropriate management at the affected division(s) and other agencies that may have department records, including OIT.
3. Document preservation notices are confidential and may only be discussed by the recipient with other employees on a need-to-know basis.
4. Upon receipt of the document preservation notice, all relevant electronically stored information (ESI) and hard copy information (collectively referred to as “Relevant Information”) must be immediately reviewed and retained. Preservation of electronically stored data must be in native format (i.e. the format used by the application that created the document) to preserve all metadata. An employee that fails to comply with a document preservation notice may be disciplined or exposed to court-imposed sanctions.
5. ESI includes text messages, audio recordings, videotape, email, instant messages, word-processing documents, spreadsheets, databases, calendars, telephone logs, contact information, internet usage files, metadata, and all other electronic information maintained, created, received, or maintained by a division of the department. Sources for ESI include cell phones, computer hard drives, cloud storage, removable media (CDs, USB drives, etc.), laptop computers, tablets, PDAs, and any other devices or remote locations where ESI is stored. Sources for ESI may include personal computers an employee has access to at home or other locations. Sources may also include inaccessible storage media, such as back-up tapes or devices, which may contain relevant ESI that does not exist in any other form.
6. Upon receipt of a document preservation notice, a Department employee must suspend deletion, overwriting, or any other possible destruction of Relevant Information. This includes disabling “janitorial” functions—such as automatic deletion of emails.
7. Relevant ESI must be preserved in its original electronic form on the media in which it is stored, regardless of whether a hard copy already exists. ESI must not be transferred from the media on which it is then stored to any other type of media. Hard copies of ESI must also be preserved.
8. Any new Relevant Information created after receipt of the document preservation notice must also be protected and preserved.
9. After the issuance of the document preservation notice, the Legal Division shall monitor the preservation efforts of division managers and other agencies to assure continuing adherence to this policy until the conclusion of the litigation.
10. The obligation to preserve Relevant Information also arises when the Department “reasonably anticipates” litigation. For purposes of this policy, litigation includes the pursuit of a charge with any state or federal administrative enforcement agency. The mere possibility of litigation does not necessarily mean that litigation should be reasonably anticipated. The duty to preserve is created when credible facts and circumstances indicate that a specific, predictable, and identifiable litigation is likely.
11. Factors that should be considered in evaluating whether litigation is reasonably anticipated include, among other things:

- Attorney statements on behalf of any party regarding a dispute with the Department or a division. Any letters or inquiries from a party’s attorney should immediately be referred to the division’s director and the Legal Division.
 - Statements regarding the potential or prospect of litigation.
 - Complaints or grievances filed internally with the Department or a division.
 - Initiation of dispute-resolution procedures by employees or non-state parties.
 - Termination of employment.
 - Significance or consequence of a dispute.
 - Event reported by the press.
12. Any employee who believes that litigation is reasonably anticipated should notify his or her supervisor, with notification continuing through all supervisory levels, until notice is provided to the Finance Director and the Legal Division. In the event a supervisor is the party from whom litigation is reasonably anticipated, then notice should be provided to the next level supervisor.
 13. The affected division’s director shall notify the Legal Division if litigation is reasonably anticipated. The Legal Division may then issue the document preservation notice.
 14. Upon transfer, reassignment, promotion, retirement, or other job change, an employee is obligated to place Relevant Information under the control of his or her supervisor. If that supervisor is the party from whom litigation is reasonably anticipated, the preserved Relevant Information shall be placed under the control of the next level supervisor. The supervisor shall notify the Legal Division (for coordination with OIT) and the Department’s IT manager for further instruction.
 15. The Personnel Division shall notify the Legal Division (for coordination with OIT) if an employee affected by a document preservation notice retires or experiences a job change. In such instances, OIT and the affected division’s director shall manage the preservation of Relevant Information and any reassignment of the employee’s IT equipment. If the employee is assigned new IT equipment, the original IT equipment containing any Relevant Information shall be preserved until OIT and the Legal Division authorizes its release.
 16. When the need for preservation of Relevant Information has expired, the Legal Division shall notify those employees who originally received a document preservation notice and OIT. Retention shall then be governed by applicable department policies.

7.25 REQUIRED TRAINING CLASSES

Department of Finance employees are required to complete the following State Personnel Department training classes.

All Employees	Supervisors Only
Family and Medical Leave Act	Employment Law
Sexual Harassment Prevention	Interview and Selection
State Government Orientation: Employee Benefits	Performance Appraisal
State Government Orientation: Merit System and Personnel	Progressive Discipline

Rating and reviewing supervisors may not complete or sign any appraisal forms until they have fulfilled the performance appraisal training requirement.

Scheduling of the training classes is the responsibility of Finance Personnel. Every employee, however, is responsible for insuring the completion of his or her training and, as a result, must coordinate attendance at training classes with their supervisor. All training classes must be completed when scheduled, or as approved by the supervisor. The employee's supervisor may excuse the employee from training due to work responsibilities or illness.

Employees may be required to complete additional training as assigned by their supervisor, management, and/or Finance Personnel.

SECTION 8: HOURS OF WORK & COMPENSABLE TIME

8.1 WORK HOURS

All employees must observe the attendance rules regarding hours of work. You are in “pay status” when actually working or when on authorized paid leave. The normal workweek for most employees is eight hours a day, Monday through Friday, with an hour for lunch. However, the beginning and ending work hours may vary in some areas. Every employee is expected to comply with established work hours.

Tardiness and absenteeism disrupt work schedules and place an added burden on fellow employees and supervisors and may subject you to disciplinary action. If an employee is required by his or her supervisor to work over 40 hours in a workweek, he or she may be entitled to overtime or compensatory time. An employee should see his or her supervisor regarding the hours-of-work rules for their work area and details concerning overtime and compensatory time.

Managers do not have the authority to grant time off except through the leave process.

8.2 FLEXIBLE WORKING HOURS

The Department allows the use of flexible work schedules (flextime) to improve morale, maintain or increase productivity, retain employees, and/or to decrease tardiness and short-term absences. Flextime allows employee input into his or her work schedules to better control work/life relationships. The use of flextime is not available in all work areas and is dependent upon an employee’s job requirements. Flextime must not interfere with one's ability to respond to citizens or provide services. Further, flextime is a privilege and not a right to be demanded because other Department employees are authorized flextime.

Employees must have written approval by his or her supervisor prior to the use of flextime. Every supervisor is responsible for ensuring his or her area is adequately staffed always ensuring coverage for core business operating hours (8 AM – 5 PM) on each business day to perform all necessary duties.

Supervisors may identify employees or groups of employees who, because of the type of duties or workload, must be excluded from participation.

8.3 MEAL AND BREAK PERIODS

The Department complies with state and federal laws regarding meals and rest periods. The responsibility for determining and equitably and consistently implementing the timing of meal and break periods for employees is left up to each supervisor in accordance with the requirement to maintain efficient operations.

8.3.1 MEAL PERIODS

Employees are allowed a bona fide meal period during a work day where he or she is completely relieved from duty while eating a meal. An employee is not relieved if he or she is required to perform any duties, whether active or inactive, while eating. Ordinarily, 30 minutes is adequate for a bona fide meal period although employees typically observe a one-hour meal period. The meal period is to be scheduled by the supervisor between the hours of 11 AM and 2 PM for first shift employees.

If an employee chooses to skip a meal period, the employee cannot make the time up at the end of a shift or move the time to a day later in the workweek. Additional time worked by skipping a meal period shall not result in the accrual of compensatory time, unless previously approved by a supervisor. Supervisors are responsible for ensuring compliance with associated state and federal laws which requires equitable and consistent implementation across all employment groups.

8.3.2 BREAK PERIODS

Neither federal nor state law requires a break period for employees; however, management realizes the benefit of allowing employees the opportunity to take short rest periods during the work day. Accordingly, full-time nonexempt employees are allowed a break period not to exceed 15 minutes for each four-hour work period. Breaks cannot be used at the beginning or end of a work day to offset arrival and departure times nor can they be combined with the meal period. Supervisors are given discretion to schedule two rest periods as work permits. Employees who work through their rest periods will not be permitted additional compensation. Smokers who desire to smoke during their scheduled work hours are to do so during their authorized break period.

8.3.3 BREAK PERIODS FOR NURSING MOTHERS

In compliance with mandates established by the Patient Protection and Affordable Care Act (“Affordable Care Act”), the Department will provide reasonable break time for an employee to express breast milk for her nursing child for one year after the child’s birth each time such employee has the need to express the milk. Moreover, the Department will provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by an employee to express breast milk.

A qualifying employee who has the need to express milk during the working day, will work with their supervisor and the Finance Personnel Director to determine how best to accommodate the needs of the mother while still accomplishing the performance of her job. Breaks to express milk should not last longer than 30 minutes. If an employee needs to take more than two breaks during the work day to express milk, the employee will need to use personal time (e.g., lunch, paid leave). Expressed milk may be stored in refrigerators only if it is placed in a cooler-type container.

8.4 COMPENSATORY TIME

It is the Department’s policy to grant compensatory time (time off), rather than wages, to compensate nonexempt employees under the provisions of the Fair Labor Standards Act (FLSA) for performing work more than 40 hours during a workweek.

The FLSA is a federal law governing minimum wage, overtime pay, equal pay, record keeping, and child labor laws. It allows the payment of overtime wages or the granting of compensatory time for certain classifications of employees based upon salaries, job duties, and responsibilities. All new employees are required, as a condition of employment, to complete a Compensatory Time Agreement form.

8.4.1 OVERTIME COMPENSATION REQUIREMENTS

The FLSA requires that nonexempt employees who physically work over 40 hours in a workweek must be compensated at one and one-half (1.5) times his or her regular rate of pay. The State Personnel Board has established policy to use compensatory time, rather than wages, to compensate nonexempt employees for performing overtime work.

Jobs that are exempt from coverage under the FLSA are not entitled to compensatory time or overtime compensation. Most executive, administrative, and professional employees are not included within the requirements of the FLSA and are referred to as exempt employees.

8.4.2 OVERTIME AUTHORIZATION

Nonexempt employees should not be required to work more than 40 hours per workweek unless clearly justified and approved in advance by the appropriate manager. Nonexempt employees should not work outside their normal work schedule (e.g., responding to work-related emails, text messages and/or phone calls) during off hours. Any compensatory time that has been earned without prior approval by an authorized person will be awarded, after verification of hours worked. However, responsible parties may be subject to disciplinary action for noncompliance with policy should the facts warrant such action.

Employees are required to fulfill work schedules issued by their supervisor. An employee who works outside of his or her regular schedule without authorization or refuses to work beyond the scheduled work period, without good cause, after instructed to do so by the appropriate supervisor, may be subject to disciplinary action for insubordination. Overtime work will be based on the needs of Finance and not for the convenience of the employee.

Compensatory time shall be used within 90 days of being earned; if the requested leave dates do not unduly disrupt the operations of the work unit to which the employee is assigned. The employee's supervisor shall make this determination at their sole discretion. Compensatory time shall be used before annual leave and accrued holidays are used unless this will cause an employee to lose accumulated annual leave at the end of the calendar year. Department management may schedule the use of compensatory time for employees.

8.4.3 OVERTIME PAYMENT

Upon separation from state service or transfer to another state agency, a nonexempt employee will be paid for accumulated compensatory time up to 240 hours. Accumulated compensatory time is not transferable from one state agency to another state agency.

8.5 TRAVEL AWAY FROM HOME

Travel by an employee that requires him or her to be away from home overnight is worktime only during those periods that coincide with the employee's regular working hours (e.g., 8 AM - 5 PM). Such time is counted as hours worked even if it occurs on a non-working day (e.g., Saturday or Sunday between 8 AM - 5 PM). Travel outside regular working hours as a passenger in a plane, train, boat, bus, or automobile is not hours worked.

Exempt employees are not subject to the travel provisions of the FLSA; thus, are not eligible to receive additional compensation for time spent traveling.

8.6 TIME SPENT AT MEETINGS & TRAINING SESSIONS

The time a nonexempt employee spends attending training, meetings, or lectures during his or her regular work hours is compensable unless the (1) attendance is voluntary; (2) the program is scheduled outside of the employee's regular work hours; (3) the program is not directly related to the employee's job; and (4) the employee does not perform any productive work during such attendance.

8.7 TIME MANAGEMENT DURING INCLEMENT WEATHER

Management has a responsibility to make every effort to maintain normal work hours even during inclement weather/emergency conditions. However, there are situations (freezing rain, ice, snow, storms, floods, etc.) where the health or safety of citizens, customers, or employees would be placed at risk requiring emergency closure of offices and associated services.

The Governor of the State of Alabama shall make decisions regarding the conditions affecting the emergency closure of all agencies statewide or within a geographic region. Such decisions are typically announced through major media outlets. Decisions regarding conditions affecting the Department shall be made at the discretion of the Finance Director. This policy only applies to an employee's principal place of residence. An employee who is not at his or her principal place of residence (e.g., beach, lake house, or vacation) and is unable to report to scheduled duty due to any of the above conditions shall use accrued leave to cover his or her absence from work. Compensatory or other time off shall not be given to employees who report to work when others do not.

Decisions to allow staff members to leave work early in a developing severe weather or other situation will be the responsibility of the Finance Director. Time lost from work in such an event will be in accordance with FLSA regulations and will possibly require the use of accrued leave, unless the hours affected fall in a period which is subsequently declared an emergency closure.

If state offices remain open and an employee does not feel secure in coming to work, the employee should contact their supervisor through normal reporting procedures and request the use of annual leave, personal leave, compensatory time, or LWOP to cover the absence. Sick leave may not be authorized for any weather-related absence unless the employee is legitimately sick. The Finance Director may require that anyone who calls in sick during inclement weather bring adequate evidence, including a physician's statement, to document their illness.

Employees on previously approved leave during the affected period must continue to charge the appropriate leave.

SECTION 9: PAYROLL & BENEFITS

9.1 GENERAL

Payroll and benefit functions are processed by the Finance Personnel Division following strict guidelines established and maintained by the Department of Finance, State Comptroller's Office, State Personnel Board, State Employees' Insurance Board (SEIB), and the Retirement Systems of Alabama (RSA) based on authority established under the *Code of Alabama 1975*.

9.2 PAYROLL

9.2.1 REGULAR PAYROLL

Regular payrolls are processed on a semi-monthly basis with employee payments being made one payday in arrears. Salary payments are made to employees on the 1st and 16th day of each month, except that if the first day of October falls on a Saturday, a Sunday, or a holiday, then the salary payment shall be made on the next succeeding workday. If the 1st or 16th day of any month, other than the first day of October, falls on a Saturday, a Sunday, or a holiday, then the salary payment shall be made on the last workday immediately prior to the Saturday, the Sunday, or the holiday.

9.2.2 TAX WITHHOLDINGS

Tax changes, including employee withholding (completed W-4 and State of Alabama A-4) are submitted by the employee to the Finance Personnel Division for payroll deductions.

The Finance Personnel Division is not authorized to make any changes to employee tax classes, federal or state, where the employee is seeking to gain more income during the calendar year by stating that she or he is "exempt" from paying taxes. Exemption from withholding taxes can only be claimed for both of the following reasons:

1. The employee had a right to a refund of all federal income tax withheld the prior year because they had no tax liability, and
2. The employee expects a refund of all federal income tax withheld the current year because they expect no tax liability.

References: *Code of Alabama 1975*, § 40-18-73(h) and Internal Revenue Code Section 3402(n).

9.2.3 DIRECT DEPOSIT

Employees are required to have their payroll checks deposited directly to a financial institution. A direct deposit sign-up form is provided to all new employees who must complete the appropriate portions of the form, obtain proper signatures, and take the form to their financial institution. Once the financial institution completes their portions of the form, the employee shall return the original form to the Finance Personnel Division. A new form must be completed when there is a change to direct deposit and the form must be delivered in person by the employee to Finance Personnel.

9.2.4 DEDUCTIONS

Payroll deductions will be made from your gross salary for federal and state income taxes, Social Security tax, and retirement contributions. Upon authorization by the affected employee, the following may, to the extent permitted by applicable law, also be deducted: savings deposits or repayment of loans to approved credit unions, deferred compensation contributions, State Combined

Charity Campaign, personal insurance premiums to companies on approved state lists, and other approved payroll deductions.

9.2.5 GARNISHMENTS

Garnishments are based upon the authority of the Department of Finance, State Comptroller’s Office. All communications and documents concerning garnishments should be directed to the State Comptroller’s Office. The State Comptroller’s Office issues a garnishment letter to the employee’s home address showing the terms of payment. Payroll deductions are stopped by the State Comptroller’s Office once the conditions of the garnishment have been satisfied.

9.2.6 LONGEVITY PAY

Permanent full-time and permanent part-time employees with five years or more of state service may be eligible for a longevity bonus check. Longevity payments to permanent part-time employees are prorated based on the percentage of part-time hours worked.

To be eligible for longevity pay an employee must be in pay status on December 1. Longevity payment is included in the first regular payroll check issued in December. Longevity payments are not subject to retirement. Employees on leave without pay for Family and Medical Leave Act leave or military leave purposes are eligible for longevity pay.

LONGEVITY PAYMENT SCHEDULE FOR FULL-TIME EMPLOYEES		
Total Service Time	Months	Pay
Less than 5 years total service	0-59	\$0
5 years but less than 10 years	60-119	\$600
10 years but less than 15 years	120-179	\$700
15 years but less than 20 years	180-239	\$800
20 years but less than 25 years	240-299	\$900
25 years or more	300 or more	\$1,000

9.2.7 NAME AND ADDRESS CHANGES

In the event of a name or address change, the employee should contact the Finance Personnel Division immediately so that the necessary paperwork may be completed to correct the information on the state payroll. A new Social Security card must be presented before the name can be changed.

It is the employee’s responsibility to notify agencies such as credit unions, private insurance companies, and other entities for which payroll deductions are being made to process a name or address change.

9.3 EMPLOYEE ASSISTANCE PROGRAM

The State Employee Assistance Program (EAP) is a short-term counseling and referral service designed to help employees become more effective and efficient in their jobs by having professional, confidential assistance with problems that are likely to affect their family life and/or job performance. Recognizing the need to help employees in coping with such problems, even if their work performance is not negatively affected, the Department participates in the EAP. The EAP is a part of the Alabama Department of Finance, Division of Risk Management, with professional services provided by Behavioral Health Systems, Inc. (BHS).

9.3.1 ELIGIBILITY

The EAP is available to all employees and their dependents who choose to utilize the service. Participation in the EAP is voluntary. Employees may access the program by self-referral or supervisory referral. Problems such as substance abuse, financial management, marital and family disruption, emotional and mental stress, and supervisor and subordinate conflict are among those that are addressed by the EAP.

The program is not intended to intrude upon the personal lives of employees and their families against their wishes. Procedures are in place to ensure confidentiality of employment and medical records. Employee involvement will remain confidential unless the employee signs appropriate release/consent forms authorizing the program coordinator to provide specific information in confidence to specified persons or organizations. Records of any participation will not become part of the employee's personnel file.

Employees who participate in the EAP will not be given preferential treatment, nor will they receive any special considerations by management. EAP participation will not protect an employee against discipline, including termination, because of an infraction of general work rules.

9.3.2 PROCEDURES

Self-Referral - An employee or family member wishing to make a self-referral should contact BHS to schedule an appointment. An initial assessment and up to two follow up sessions will be provided annually at no cost. Additional sessions or treatments beyond the three EAP provided visits must be covered through the state-provided health insurance. The BHS Care Coordinator will assist you in the transition to your medical plan or community resources.

Supervisory Referral – A supervisory referral may occur on an informal basis, when a supervisor becomes aware that an employee is experiencing difficulties that may have little or no impact on the job, and the supervisor recommends EAP services to the employee. The supervisor may informally recommend EAP services but, in accordance with state and federal law, the employee's participation, or lack of, is not reported to the supervisor.

Supervisory referral may also occur on a formal basis when a supervisor formally or specifically emphasizes to an employee the importance of resolving a personal problem that appears to be contributing to poor job performance. The supervisor wanting to make a formal referral should contact the BHS Care Coordinator to discuss the problem and provide the information needed for the Release of Information (ROI). The ROI is required for the BHS Care Coordinator to communicate compliance information to the supervisor. If referral is deemed appropriate, the supervisor will inform the employee verbally and in writing of the referral decision. A referral form should be completed.

The employee's involvement in the program is still voluntary; however, if the employee chooses not to participate, the supervisor should document this. The supervisor should then follow normal disciplinary procedures regarding the job-related issue(s) that led to the referral.

For access to the program, contact the BHS Care Coordinator at 800-245-1150 or 205-879-1150 or visit the BHS website at www.behavioralhealthsystems.com. The member password is DORM.

9.4 GENERAL LIABILITY TRUST FUND

The General Liability Trust Fund (GLTF) provides liability protection for state employees and agents of the state while they are acting for the state in the line and scope of their job requirements. The GLTF is not insurance, but a protection program that is a benefit for state employees. It is a set of written guidelines, similar to an insurance policy, which outlines the conditions of coverage.

If you are sued individually because of an act or omission made in the line and scope of your job requirements, the GLTF will defend you, and will protect you from money damages up to the coverage limits. The limits are \$1,000,000 per occurrence, regardless of the number of employees sued because of that occurrence.

If you are served with a lawsuit related to an act or occurrence regarding your position or job, immediately forward the original suit papers to the Division of Risk Management, claims or legal department, provide a copy to the Finance Legal Division, and send a copy to the Attorney General's Office.

The Auto Liability Program is also an extension of the GLTF and provides liability protection for state employees while operating vehicles licensed for road use in the line and scope of their job duties. The auto liability program offers a \$1,000,000 liability coverage limit per accident. State employees are covered while driving state-owned or leased vehicles and rental cars when on state business. If you drive your personal vehicle on state business, your personal liability insurance is the primary coverage. If you are served with a lawsuit due to being involved in an auto accident, follow the same directions in distributing the complaint.

9.5 STATE EMPLOYEES' HEALTH INSURANCE PLAN (SEHIP)

SEHIP is a basic medical coverage available to state employees and their eligible dependents. Provisions established under the *Code of Alabama 1975*, § 36-29-1, the SEIB is tasked with the design, maintenance, and regulation of SEHIP. Information included in this section serves only as a basic overview of SEHIP. Employees can obtain specific plan information by visiting the SEIB website at www.alseib.org, calling toll free at (866) 836-9737, or, most preferably, by contacting their local SEIB Benefits Advisor.

9.5.1 ELIGIBLE EMPLOYEES

Full-time state employees or part-time employees agreeing to have the required premium paid through payroll deduction. Coverage is not available for those employed on a seasonal, temporary, intermittent, emergency, or contract basis.

9.5.2 ELIGIBLE DEPENDENT(S)

The term "dependent" includes the following individuals, subject to appropriate documentation (Social Security number, marriage certificate, birth certificate, court decree, etc.):

- A. An employee's spouse (excludes divorced or common-law spouse)
- B. A child under age 26, only if the child is:
 - 1. The employee's son or daughter.

2. A child legally adopted by the employee or his or her spouse (including any probationary period during which the child is required to live with the employee.)
3. A stepchild.
4. A grandchild, niece, or nephew under 19 years of age for whom the court has granted custody to the employee or his or her spouse.

(Exception: children age 19 and older who are eligible for coverage through their employer are not eligible for coverage under SEHIP.)

C. An incapacitated dependent over age 25 will be considered for coverage provided dependent:

1. Is unmarried.
2. Is permanently mentally or physically disabled or incapacitated.
3. Is so incapacitated as to be incapable of self-sustaining employment.
4. Is dependent on the employee for 50% or more support.
5. Is otherwise eligible for coverage as a dependent except for age.
6. The condition must have occurred prior to the dependent's 26th birthday.
7. Is not eligible for any other group health insurance benefits.

Exclusion: An employee may not cover a spouse or other dependent(s) if they are independently covered as a state employee.

It is the responsibility of the subscriber to notify the SEIB immediately when the eligibility of a covered dependent changes. If it is determined that an act (such as adding an ineligible person to coverage) or omission (such as failing to remove a person no longer eligible from coverage) of the subscriber results in or contributes to the payment of claims by the SEHIP for persons ineligible for coverage, the subscriber will be personally responsible for all such overpayments and shall be subject to disciplinary action including termination of coverage. (Note: an ex-spouse is ineligible for coverage and cannot be maintained as a dependent under family coverage regardless of a judgment or divorce decree requiring the subscriber to provide healthcare of an ex-spouse. However, an ex-spouse may be eligible for COBRA continuation coverage.)

In the event of the death of an employee covered under the SEHIP who carried family coverage, the eligible dependents may continue coverage by making the appropriate premium payments to the SEIB (SEIB must be notified within 90 days of the date of death). Pursuant to Act 2012-498, the spouse and dependents of an employee covered under the SEHIP who is killed in the line of duty or who dies because of injuries received in the line of duty may continue coverage under the SEHIP with the cost of continued coverage to be paid by the State Treasury. Coverage shall cease upon remarriage or upon the attainment of an alternate health insurance provider.

9.5.3 ENROLLMENT AND COMMENCEMENT

Employee – New employees who do not decline coverage will be enrolled as of the effective date of employment, subject to SEIB Rules and Procedures. An SEIB Health Insurance Enrollment Form must be completed by the employee and subsequently submitted to the SEIB by the Finance Personnel Division.

Employees who work, on average, 30 or more hours per week or 130 or more hours per month during a designated period are eligible for coverage.

Part-time employees may elect coverage to be effective on their date of employment, subject to appropriate premium payment, or on the first day of the month following first payroll deduction.

Active employees and their dependents over age 65 are covered under the same conditions as any employee under age 65. The SEHIP remains primary for services until employee retires.

Dependent – When adding dependents to family coverage, the employee must submit appropriate documentation (Social Security number, marriage certificate, birth certificate, court decree, etc.) to the SEIB. To avoid enrollment deadlines the employee should submit enrollment forms to the SEIB even if he or she does not have all the appropriate documentation at the time of enrollment.

New employees may elect to have dependent coverage begin on the date their coverage begins or no later than the 1st day of the second month following their effective date of coverage, subject to appropriate premium payments.

The new employee's enrollment form shall reflect the effective date for both the employee and dependent coverage. The SEIB may change the dependent's effective date, subject to receipt of documentation or premium payment.

Dependents may be added to coverage only during the open enrollment period in November each year. An exception exists for dependents gained through birth, adoption, or marriage may be added to coverage during the plan year if a change form is submitted to SEIB within 60 days of gaining a new dependent. (Special enrollment rights may apply for dependents that lose their other employer group coverage.)

Payroll deduction for insurance is taken from the last paycheck of the month. A direct payment for dependent coverage premium must be submitted with the enrollment form for any coverage period before payroll deduction. The deduction from a payroll check or the deposit by the SEIB of a direct payment does not constitute acceptance of coverage.

Part-time Employees – Part-time employees are only eligible for State Employees' Basic Medical Health Insurance (SEHIP) coverage provided that such employees agree to pay, through payroll deduction, the portion of the full premium not paid by the state. Part-time employees who do not elect coverage to be effective on their date of employment or 1st day of the month following first payroll deduction may enroll only during annual open enrollment. Full-time employees enrolled in any of the supplemental plans, who change to part-time, must either decline coverage or revert to basic medical plan and pay a portion of the funding rate. Employment status changes that result in a change of pro rata premium payments will become effective on the 1st day of the month following notification. The employment status in effect on the first day of the month will apply throughout that month for insurance purposes.

The schedule shown below is used to determine the pro rata premium to be paid by the state and the employee:

Employment Status	State Portion of Funding Rate	Employee Portion of Funding Rate
Less than ½ time	25%	75% + employee premium
At least ½ time but less than ¾ time	50%	50% + employee premium
At least ¾ time but less than full time	75%	25% + employee premium
Full time	100%	0% + employee premium

Reemployed State Retiree – To comply with the Medicare, Medicaid, and SCHIP Expansion Act, SEIB must show that it is the primary payer for all employees covered by the SEHIP, including reemployed Medicare retirees. This applies to all reemployed state retirees with a FICA deduction.

All reemployed state retirees must complete a Reemployed State Retiree Health Insurance Form. If the employee and/or dependent are Medicare eligible, SEHIP will be the primary payer and premiums will be adjusted.

Open Enrollment – Open enrollment is held in November of each year for coverage to be effective the 1st of January and is available for:

- Employees who have declined coverage and now wish to enroll in the SEHIP.
- Employees who wish to change plans.
- Part-time employees who wish to begin coverage.
- Employees who wish to add family coverage or add a dependent to existing family coverage.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires that a special enrollment period be provided in addition to the regular enrollment period for employees and eligible dependents meeting specified criteria. Terms and conditions can be obtained through contact with the SEIB.

Spousal Surcharge Waiver – Employees and retirees whose spouses are enrolled in the SEHIP will be charged a \$50 per month surcharge if their spouse is eligible for other insurance coverage. Spouses who are eligible for other coverage must enroll in that other coverage or pay the \$50 per month spousal surcharge. The surcharge will not apply if the spouse's other individual coverage monthly premium is \$255 or more.

To have the spousal surcharge waived, a Spousal Coverage Certification form must be completed and submitted, with appropriate documentation, to the SEIB through Finance Personnel.

Optional Discounts

1. Non-Tobacco User Premium Discount – If an employee (and the employee's spouse if covered as a dependent under SEHIP) has not used tobacco products in the last 12 months, he or she may be eligible for a premium discount. To obtain the discount, the employee must submit a completed non-tobacco user premium discount application to the SEIB. The employee may also qualify for the discount if he or she submits acceptable documentation to the SEIB each year verifying that the employee (and the employee's spouse if covered as a dependent under SEHIP):

- Has (have) completed an SEIB approved tobacco usage cessation program, or
- Cannot stop using tobacco products as advised by their physician because it is unreasonably difficult due to a medical condition.

New employees will have 60 days from date of hire to apply for the non-tobacco user discount. When a spouse is added, the 60-day period will also apply.

2. Wellness Premium Discount - All active employees covered under the SEHIP (Group 13000) are eligible for a wellness premium discount. The wellness qualifying period starts November 1 and ends October 31 of each year having a January 1 effective date. Employees and their spouses, if applicable, must be screened either through the SEIB's worksite wellness screening program, a

county health department, a participating pharmacist, or by a healthcare provider (through the submission of a Provider Screening Form).

Exceptions: An employee may also receive the wellness premium discount if it is deemed that the employee cannot participate in the wellness program due to pregnancy, disability or other infirmity as documented by the employee's physician.

New employees have 60 days from date of hire to apply for the wellness premium discount. Covered spouses of active employees, non-Medicare retirees and non-Medicare covered spouses of retirees will have 60 days from their effective date to apply for the wellness premium discount.

9.6 FLEXIBLE EMPLOYEES' BENEFITS PLAN

Employees are eligible to pay premiums and pay for eligible healthcare and dependent care expenses with payroll deductions before state and federal taxes are applied. The State Flexible Employees' Benefits Plan offers three programs designed to save employees money:

The Premium Conversion Plan (PCP) - allows eligible employees the opportunity pay premiums for SEHIP and certain qualified voluntary insurance programs using pre-tax dollars.

The Dependent Care Reimbursement Account Plan (DCRA) - allows eligible employees the opportunity to pay dependent care expenses using pre-tax dollars.

The Healthcare Reimbursement Account Plan (HCRA) - allows eligible employees to set aside tax-free money in an account to pay themselves back for eligible healthcare expenses incurred by them and their dependents.

Specific information for each of these plans can be obtained by accessing the SEIB website, calling (866) 833-3378, or through contact with your local SEIB Benefits Advisor.

9.7 RETIREMENT

The Employees' Retirement System (ERS) is a defined benefit plan providing disability and service retirement benefits to members and survivor benefits to qualified beneficiaries. A defined benefit plan provides the employee with a specific benefit at retirement. Benefits are payable monthly for the lifetime of the member, possibly continuing for the lifetime of his or her beneficiary.

Participation in the ERS is mandatory for employees in eligible positions. To be eligible, employees must be non-temporary, working on at least a one-half time basis earning at least the federal minimum wage. Once enrolled, a member must continue participation until employment is terminated.

Temporary employees with a specific termination date not exceeding one year are ineligible. However, temporary employees employed longer than one year must begin participation in the ERS at the beginning of the second consecutive year of employment. The member will be given the opportunity to purchase the first year of temporary employment.

9.7.1 EMPLOYEE CONTRIBUTION RATES

Legislation passed during the 2012 Alabama Legislative Session significantly altered the landscape of the ERS by creating Tier 1 and Tier 2 Defined Benefit plans. Members with any creditable service prior to January 1, 2013, are classified as Tier 1 participants while members hired for the first time on or after January 1, 2013, are classified as Tier 2 Participants. The contribution rate is 7.5% for Tier 1 members and 6.0% for Tier 2 members.

9.7.2 BENEFICIARY DESIGNATION

It is important for members to keep their beneficiary designations current as failure to do so can result in possible loss of valuable benefits to an employee's survivor(s). Changes in beneficiaries must be submitted to the ERS. Employees may name more than one beneficiary and designate them as contingent or co-beneficiaries. If the primary beneficiary predeceases the employee, the ERS will pay death benefit to the contingent beneficiary. If at the member's death, there is no beneficiary designated, the member's estate will be paid the appropriate death benefit.

Employees wishing to change his or her beneficiary in the event of marriage, divorce, or the beneficiary's death must file a new beneficiary designation with the ERS using the RSA Change of Beneficiary - Prior to Retirement Form. This form is available on the RSA website.

9.7.3 ELIGIBILITY

Tier 1 employees in the classified service are eligible to retire at age 60 with at least ten years of service or upon the completion of 25 years of service at any age. Tier 2 employees are eligible to retire at age 62 with at least ten years of service. Employees may also be approved for retirement without meeting these qualifications if the retirement is due to a disability. In this case, however, the employee must have at least ten years of service with the state.

When an employee intends to retire, he or she must notify the Finance Director and the Finance Personnel Division, in writing, and make application for retirement directly with the ERS. Application must be made not less than 30 days or more than 90 days prior to the effective date of the retirement, which must be effective on the first day of a month.

A member's contributions are only refundable at the request of the member upon termination of employment and through application for refund. Interest on the account is only refunded if the member has at least three years of service. The member is not entitled to the total interest credited to the account.

9.7.4 PURCHASE OF ADDITIONAL SERVICE CREDIT

State law allows active ERS members to purchase service credit for certain types of past employment. Purchasing service credit may increase one's retirement income or allow him or her to retire sooner. To purchase service credit, the member must submit proper certification of the service. The appropriate certification form can be obtained by contacting the ERS or by downloading the form from their website. Forms are to be completed by an official record keeper where the service was performed. Completed certification forms are then forwarded to ERS.

A listing of the types of service credit eligible for purchase is provided below:

- Restoration of Withdrawn Service Credit from the RSA.
- Military Service in the U.S. Armed Forces (Up to 4 years of eligible service can be purchased During 1st year of employment or after completion of at least 10 years of creditable service.)

- Maternity Leave Without Pay.
- Previous Service with a City, County, Town, Public or Quasi-Public Organization, or Political Subdivision of the State of Alabama (Local Units).
- Out-of-State Public Service.
- Non-Participating Employer Services.

Eligibility for and cost of all service purchases are based on the provisions of law in effect at the time of purchase. For detailed information pertaining to the purchase of service credit, contact ERS.

9.8 STATE EMPLOYEE INJURY COMPENSATION TRUST FUND (ON-THE-JOB INJURY)

The State Employee Injury Compensation Trust Fund (SEICTF) was created by the Alabama Legislature and is administered according to the administrative rules developed by the Department of Finance, Division of Risk Management. Its purpose is to provide indemnity and medical benefits for injuries incurring on and relating to the employee's job.

Employees who are injured while performing the duties of their job will obtain medical care from a pre-approved health care provider (physician or clinic) in SEICTF's Preferred Provider Network, unless emergency treatment is required. SEICTF is responsible for payment to the medical care provider with no co-payments and deductibles due from the employee.

9.8.1 PROCEDURES

The injured employee must report the incident to the supervisor immediately and complete the Accident Report/Employee's Statement form. The supervisor will direct the employee to a Network Preferred Provider/Gatekeeper who will provide any necessary medical care. The supervisor must complete the Employer's First Report of Injury and the Authorization for Initial Treatment and Pharmacy forms if medical treatment is required. These forms must be completed and sent to SEICTF within 24 hours of the injury. In the event of an emergency, the employee should seek immediate care at the nearest medical facility and notify their supervisor as soon as possible.

The employee will need to take the Authorization for Initial Treatment and Pharmacy form to the medical provider. This form will ensure that the employee will not pay any co-pays or deductibles. After the medical provider has completed their portion of the form, the employee will return the form to their supervisor or fax to SEICTF.

If the injured employee does not wish to seek medical treatment, indicate this on the Employer's First Report of Injury form. The supervisor may recommend that the employee seek medical attention if it is believed that the injured employee may be a threat to the safety of the employee, coworkers, and/or others. If the employee continues to refuse treatment, the supervisor may direct the employee to leave work and obtain a medical release from a physician before being allowed to return to work.

9.8.2 PROGRAM BENEFITS

The following is an outline of the benefits related to on-the-job injuries that result in lost work time.

Waiting Period - There is a three-workday period for which no lost time benefit is paid, which is normally covered using the employee's accumulated annual and sick leave or leave without pay. Should the lost time reach 21 calendar days, the initial three work day period is then paid if two-thirds pay has been elected.

Option to Use Sick/Annual Leave – The injured employee may choose to use his or her accumulated annual or sick leave. If this option is selected, SEICTF 2/3's lost wage benefits will start when leave is exhausted, or whenever the employee chooses to accept benefits as opposed to using leave. The employee will be paid through the state payroll system and normal retirement, leave, and payroll procedures apply; the employee receives his or her usual net pay and semi-monthly payroll deductions remain the same. The Department of Finance, State Comptroller's Office, is notified of the amount considered non-taxable and this is reflected on the annual W-2 statement for the employee. The employee continues to accrue leave and retirement credit at the normal rate and stays on the state payroll until leave is exhausted.

Option for Lost Time Benefit – The employee may choose to receive compensation at a 2/3's rate, subject to the maximum compensation rate in effect at the time of the injury. The employee is paid directly by the Division of Risk Management via SEICTF warrant. There are no deductions for state or federal income taxes, Social Security or Medicare, dependent health care coverage, or authorized payroll deductions. Compensation payments issued by SEICTF are non-taxable, and they are not reflected on the employee's annual W-2 statement. Leave is accumulated at two-thirds of the normal rate and the employee stays on the state payroll system as long as permissible. The State continues to pay 100% of the employer's contribution to the State Employee Insurance Plan, but the employee must pay dependent coverage separately.

Duration of Payments – Payments for temporary disability continue if the employee cannot work as a result of the covered injury and is supported by the Authorized Treating Physician's medical opinion, subject to the Rules and Regulations.

All elections must be made by the employee and received by SEICTF before any compensation benefits are paid. An employee may change his or her election before the beginning of the next payroll period but not retroactively. Used leave cannot be restored by SEICTF.

9.8.3 LIGHT DUTY

The Department will attempt to assign an employee to temporary light-duty work, whenever practical, because of a documented on-the-job injury or illness. The assignment of light-duty work will be based on the employee's capabilities and, when necessary, his or her attending physician's approval.

Additional information on SEICTF can be found at: www.riskmgmt.alabama.gov/SEICTF.aspx.

9.9 TAX DEFERRED COMPENSATION PLANS

There are two tax deferred compensation plans available to employees. Information concerning the plan offered by RSA (RSA-1) is available by calling 334-517-7000 or visiting the RSA website. Information regarding the Great-West plan is available by calling 1-877-313-2262 or visiting www.gwrs.com.

SECTION 10: LEAVE AND OTHER TIME OFF

All employees must follow the procedures in their respective areas for requesting leave. Authorized leave is defined as any leave in which an employee has followed proper notification procedures and has received approval for the absence. Employees are expected to be at work or on authorized leave during all regularly scheduled work hours. Unauthorized leave is defined as any leave in which an employee is absent without following proper notification procedures or the absence has not been properly approved. Unauthorized leave may subject an employee to leave without pay and/or disciplinary action, up to and including dismissal.

Supervisors are responsible for maintaining documentation of attendance and leave on each employee.

10.1 LEAVE USAGE

In computing annual, sick, military, and other leave for employees in state service, off days and holidays are not counted. Leave taken for less than a full hour, other than military leave, is charged in 15-minute increments.

Leave cannot be used before it is accrued. The leave balances an employee has at the end of a pay period is the amount available for use during the next pay period. Employees must be in pay status 80% of their normal work schedule to earn leave. An employee must be working or on authorized leave with pay to earn leave.

It is the responsibility of the employee to ensure appropriate types and amounts of leave are taken during the calendar year. Sick leave taken during the year will not be changed to annual leave at the end of the calendar year to prevent the loss of excess annual leave.

10.2 ADVANCED SICK LEAVE

In advancing sick leave, the state incurs a liability or debt, particularly when the employee does not return to work. Therefore, the Department will not authorize advanced sick leave to employees.

10.3 ANNUAL LEAVE

All full-time employees in permanent positions, including provisional appointees, who are in pay status at least 80% of their normal work hours for the pay period, earn annual leave on a semimonthly basis.

Employees may use accumulated annual leave with the approval of their immediate supervisor at the time they prefer, subject always to the right of the supervisor to plan the work under their control and to authorize leave when the employee can best be spared. At the discretion of the Finance Director, employees may be required to maintain a minimum number of annual leave hours.

Annual leave is accrued according to the following schedule:

ANNUAL LEAVE SCHEDULE		
Employee's Total Service	Accumulation of Leave Per Pay Period	Annual Accumulation
Fewer than 5 years	4.20 hours	13 days
5 but less than 10 years	5.25 hours	16 days 2 hours
10 but less than 15 years	6.30 hours	19 days 4 hours
15 but less than 20 years	7.35 hours	22 days 6 hours
20 but less than 25 years	8.40 hours	26 days
25 years of service or more	9.45 hours	29 days 2 hours

A change in the rate of accumulation does not become effective until the beginning of the first full pay period following the leave accrual date.

No more than 60 days or 480 hours of annual leave may be carried from one calendar year to the next. Employees separating from state service will receive payment for up to 480 hours of annual leave in his or her state career based on the employee's rate of pay at separation. Separating employees cannot return to state service until there is a break in state service between jobs equal to the amount of accumulated annual leave paid.

10.4 BEREAVEMENT LEAVE

Bereavement leave may be granted to all employees regularly employed by the Department and who are subject to the Merit System. A maximum of three days of bereavement leave with pay per occurrence may be granted to an employee who does not have accrued sick leave available to use for the death of a person related by blood, adoption, marriage, or as otherwise provided by the State Personnel Board rules. Any leave granted to an employee must be repaid in the form of leave days; including sick leave, annual leave, compensatory time, and personal leave within one calendar year. An employee must repay the leave prior to transferring to a different agency. Employees separating from state service prior to repaying the leave will have the remaining liability deducted from their final paychecks.

10.5 BLOOD DONATION

Employees who donate blood during state blood drives hosted by the American Red Cross or LifeSouth, are eligible to receive two hours of leave each time they donate blood not to exceed four hours each calendar year. The two hours should be taken on the day of donation when possible, but not later than two weeks after the date of donation. Employees will be required to provide adequate evidence of donation.

10.6 COURT ATTENDANCE LEAVE

Employees in the state service who are required to attend court as jurors in a nonwork-related capacity are granted court attendance leave with pay. Attendance in a court by any employee in an official capacity is not considered leave; they must observe the provisions of the Department that may require them to turn over witness fees to the Department. Employees who are called as witnesses in their individual capacities are not entitled to a court attendance leave and should arrange for time off through annual leave or leave without pay.

An employee who reports for jury duty and is not selected or is otherwise dismissed prior to the end of the normal work shift must report for work or charge annual leave. Employees must provide documentation from the court to be entitled to court attendance leave as a juror.

10.7 DONATED LEAVE

The Department will adhere to the guidelines set forth by the State Personnel Department for the donation of leave. Whether to allow donated leave for an employee is at the discretion of the Finance Director.

To receive donated leave, an employee must have suffered a catastrophic illness or injury or be the caregiver for a member of his or her immediate family, as defined by the Family and Medical Leave Act, with a catastrophic illness or injury. A catastrophic illness or injury has been defined as one from which an individual will never fully recover the ability to work or which is life threatening, or one requiring a recuperation period of approximately one or more years. The catastrophic illness must be certified by a licensed physician and approved by the Finance Director and the State Personnel Director.

An employee eligible for maternity leave may qualify for donated leave during the time her doctor states she is disabled due to the pregnancy. A physician's verification of disability is required.

The employee receiving donated leave must have exhausted all his or her annual and sick leave, secured approval from his or her supervisor and the Finance Director, and submitted the appropriate forms to the Finance Personnel Division in time for it to be acted upon prior to the donated leave being used.

Sick, annual, or compensatory leave may be donated; however, it will be credited as sick leave for the beneficiary employee. Donations of leave may occur between the executive, legislative, and judicial branches of government regardless of classification. Leave shall be donated in whole hours only. Employees who are leaving state service are not allowed to donate more leave than could be taken prior to their separation date.

Leave donations shall be subject to the approval of the appointing authority of the employee making the donation and, if the donating employee is in a position with a lower pay grade than the position of the employee receiving the donation, the approval of the State Personnel Board. However, an employee in a lower pay grade may donate to an employee in a higher pay grade if there is a family relationship as defined by FMLA. The appointing authority of the employee receiving the donation may limit the number of hours an employee may receive per catastrophic illness or maternity leave. No employee may receive more than 480 hours of donated leave throughout his or her career with the state without the approval of the State Personnel Board.

10.8 EDUCATION LEAVE

Although the *Rules of the State Personnel Board* make some provisions for educational leave, it is the policy of Finance not to allow educational leave for employees to attend regular classes at any institution of higher learning including, but not limited to: colleges, universities, and technical schools. The Department may, however, authorize employees to attend conferences, seminars, and

job-related training classes that will benefit the overall mission of Finance, should funding be available.

10.9 FAMILY AND MEDICAL LEAVE ACT

The Family and Medical Leave Act (FMLA) provides eligible employees the opportunity to take job-protected leave for certain specified reasons. The maximum amount of leave an employee may use is either up to 12 workweeks within a 12-month period for certain family and medical reasons, or up to 26 workweeks to care for a covered service member with a serious illness or injury. The purpose of this policy is to balance the Department's needs with those of employees while complying with legal mandates attached to the FMLA.

10.9.1 POLICY

The Department will not unlawfully interfere with, restrain, or deny the exercise of any right provided under the FMLA; and will not discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

10.9.2 DEFINITIONS

The following are terms and definitions as applicable under the FMLA:

Chronic Condition – A condition that requires periodic visits for treatment by a healthcare provider at least twice a year, continues over an extended period, including recurring episodes of a single underlying condition, and may cause episodic incapacity rather than continuing incapacity.

Eligible Employee – An employee who has physically worked for the Department for at least twelve months, which need not be continuous, and has worked at least 1,250 hours for over the past twelve months.

Family Member - An employee's spouse, children (son or daughter), and parents are immediate family members for purposes of FMLA. The term "parent" does not include a parent "in-law." The terms son or daughter do not include individuals age 18 or over unless they are "incapable of self-care" because of a mental or physical disability that limits one or more of the "major life activities" as those terms are defined in regulations issued by the Equal Employment Opportunity Commission (EEOC) under the Americans With Disabilities Act Amendment Act (ADAAA).

Healthcare Provider – Healthcare providers who may provide certification of a serious health condition include:

- Doctors of medicine or osteopathy authorized to practice medicine or surgery (as appropriate) by the state in which the doctor practices.
- Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in the state and performing within the scope of their practice under state law.
- Nurse practitioners, nurse-midwives, and clinical social workers authorized to practice under state law and performing within the scope of their practice as defined under state law.
- Any healthcare provider recognized by the employer or the employer's group health plan's benefits manager.

- A healthcare provider listed above who practices in a country other than the United States and who is authorized to practice under the laws of that country.

Qualifying Exigency – A non-medical activity that is directly related to the covered servicemember’s active duty or deployment to a foreign country or call to duty. Qualifying exigencies include the following:

- Short-notice deployment (seven days)
- Military events and related activities
- Childcare and school activities
- Financial and legal arrangements
- Counseling
- Rest and recuperation (15 days)
- Post-deployment activities (90 days)
- Caregiver to military member’s parents
- Activities agreed upon by employer and employee

Time for child care allows employees to arrange for alternative child care, or to provide childcare on an urgent, immediate need basis, but not on a routine, regular, or everyday basis. Leave to handle qualifying exigencies is available to family members of the active members of the Armed Services as well as members of the Reserves or Guard.

Serious Health Condition – An illness, injury, impairment, or physical or mental condition that involves:

- Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility.
- A period of incapacity requiring absence of more than three consecutive calendar days from work, school, or other regular daily activities that also involves continuing treatment by (or under the supervision of) a healthcare provider.
- Any period of incapacity due to pregnancy, or for prenatal care.
- Any period of incapacity (or treatment therefore) due to a chronic serious health condition (e.g., asthma, diabetes, epilepsy, etc.)
- A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective (e.g., Alzheimer's, stroke, terminal diseases, etc.)
- Any absences to receive multiple treatments (including any period of recovery therefrom) by, or on referral by, a healthcare provider for a condition that likely would result in incapacity of more than three consecutive days if left untreated (e.g., chemotherapy, physical therapy, dialysis, etc.)

A serious health condition does not include routine physical examinations, eye examinations, dental examinations, common cold, flu, earaches, upset stomach, minor ulcers, or headaches, except for migraines, unless there is a complication. Cosmetic treatments, such as plastic surgery, are not covered under the FMLA, unless there is a complication. Also, absence because of an employee’s use of an addictive substance, such as drugs or alcohol, does not qualify for FMLA leave, unless the absence is for inpatient treatment of this condition.

10.9.3 TRADITIONAL FMLA ELIGIBILITY

Eligible employees may take up to 12 workweeks (480 hours) per 12-month period for one or more of the following reasons under traditional FMLA leave:

- The birth of an employee's child, including, but not limited to, prenatal doctor appointments, morning sickness, bed rest, childbirth, and care for the newborn child within the first 12 months after birth.
- The placement of a child with the employee for adoption or foster care, including, but not limited to, court appearances, social work home visits, attorney appointments, and to bond with and care for the child within the first 12 months after placement.
- To care for an immediate family member such as an employee's spouse, child, or parent/legal guardian who has a serious health condition.
- For a serious health condition that makes the employee unable to perform the essential functions of his or her job.

The 12-month period is not a calendar year but is a rolling year. The rolling year is measured 12 months backwards from the date an employee uses any FMLA leave. Each time an employee takes FMLA leave the remaining leave entitlement will be the balance of the 12 weeks (480 hours), which has not been used during the immediately preceding 12 months.

State holidays for which the employee is paid do not count toward the 12-week FMLA period (480 hours). Any leave that an employee takes due to an on-the-job injury covered by the State Employee Injury Compensation Trust Fund must be concurrently designated as FMLA leave if the employee meets the FMLA criteria. Certain circumstances allow FMLA to be applied retroactively.

Spouses who are both employed by the state, but in different agencies, are each entitled to a maximum of 12 weeks (480 hours) for the birth or placement of a child for adoption or foster care. However, if both are employed by the Department, they are entitled to a combined maximum of 12 weeks (480 hours). Leave may begin prior to birth or placement, as circumstances dictate. If an employee's child or spouse is seriously ill, both the employee and his or her spouse are each entitled to 12 weeks (480 hours) of leave regardless of employment in the same or different agencies.

10.9.4 MILITARY FMLA ELIGIBILITY

Procedures stated above for traditional FMLA apply to military FMLA unless specifically stated otherwise. To qualify for leave under the military FMLA provisions, an employee must be eligible for traditional FMLA leave and be either:

- The parent, spouse, son, daughter, siblings, grandparents, aunts, uncles, first cousins, or any blood relative specifically designated in writing as the next of kin by a service member in the Regular Armed Forces, National Guard, or a Reserve component of the Armed Forces, or of an Armed Forces retiree, who is on active duty (or has been notified of an impending call or order to active duty) in a foreign country; or
- The spouse, son, daughter, parent, or next of kin of a covered service member or a veteran who has served within the last five years undergoing medical treatment, recuperation, or therapy, who is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness. The serious illness or injury is one incurred by the member in the line of duty on active duty that may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating. A serious illness or injury can result from the aggravation of a pre-existing condition due to active duty, as well as the manifestation of a condition which requires treatment, recuperation, or therapy within five years after the individual leaves the military.

Under the military FMLA, eligible employees may be able to take:

- Up to 12 workweeks of leave in a 12-month period because of a qualifying exigency that arises out of the fact that a spouse, parent, or child has been called to or is on covered active military duty in the Armed Forces or deployed to a foreign country; or
- Up to 26 workweeks of leave in a 12-month period to care for a covered service member of the Armed Forces who has a serious injury or illness. This 12-month period is measured forward from the beginning date of leave.

The illness or injury was in the line of duty or existed before active duty or was aggravated by service in the line of duty and that manifested before or after becoming a veteran, and that is either:

- A continuation of a serious injury or illness that was incurred or aggravated when the veteran was a member of the Armed Forces and rendered the service member unable to perform the duties of his/her office, grade, rank or rating.
- A physical or mental condition for which the veteran has received a service related disability rating of 50% or greater and the leave is related to the condition.
- A physical or mental condition that substantially impairs the veteran's ability to work because of a disability related to military service or would do so absent treatment.
- An injury including a psychological injury, on the basis of which the veteran is enrolled in the VA Program of Comprehensive Assistance for Family Caregivers.

Employees may take a total combined leave of 26 weeks for qualifying reasons during the caregiver leave year – basically when the two leave years overlap. For example, if an employee were to take 12 weeks of leave for the birth of a child, when he or she went on leave to care for a covered service member, a new leave year would begin. This leave must be run on a measured forward basis, no matter what leave year is identified for the other reasons for leave.

10.9.5 LEAVE USAGE

The 12-week FMLA leave entitlement is to be charged concurrently with accumulated sick leave, personal leave day, annual leave, compensatory time, or leave without pay.

FMLA leave can be utilized in three ways: single incident, intermittently, and reduced work schedule. A reduced work schedule is appropriate when an employee has a need for a recurring period of leave that is of longer duration and infinite time period due to a qualifying illness such as chemotherapy, dialysis, physical therapy. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt Department operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

For the birth of a child, the employee must use sick leave for only the period of disability. Generally, the recovery period for the birth of a child is 6 weeks. Additional time charged to sick leave must be documented by a medical care provider. All other leave must be taken from any portion of available annual leave and personal leave day. In the event there is not sufficient leave, the remaining time off will be leave without pay.

For the adoption of a child, the employee must use annual leave and personal leave day. Additional time off must be leave without pay.

10.9.6 EMPLOYEE RESPONSIBILITIES

Notice of Leave – The employee is required to submit a request to take FMLA leave through the state time and attendance system. When requesting leave, an employee must:

1. Supply enough information for the supervisor to be aware that the FMLA may apply to the leave request, as well as information regarding the anticipated timing and duration of leave.
2. Request FMLA-qualifying leave at least 30 days in advance of the need for leave or as soon as possible. If 30 days' notice is not possible, such as a medical emergency, written notification must be given to the supervisor within one or two business days of when the need for leave becomes known to the employee.
3. Make a reasonable effort to schedule foreseeable leave so the leave is as least disruptive to work operations, subject to the doctor's approval.
4. Cooperate with all requests for information regarding whether absences are FMLA qualifying.

Leave Certification – All employees are required to certify his or her need for FMLA leave within 15 days of receiving notice of such requirement. If an employee refuses to provide a certification, his or her leave request may be denied, and the employee may be disciplined.

Employees may be required to provide periodic recertification on a reasonable basis, generally 30 days, for chronic/long-term illness. A recertification may be requested in less than 30 days if the employee asks for an extension of leave, circumstances have changed, or management has doubts about the employee's FMLA status. While on FMLA leave the employee is required to report to his or her supervisor periodically on the status of the condition and/or intention to return to work.

Fitness for Duty Certifications – An employee returning from FMLA leave for his or her own serious health condition will need to provide a fitness for duty certification signed by the appropriate healthcare provider indicating the employee's ability to perform all essential functions of their position. An employee who fails to provide a fitness for duty certification will be prohibited from returning to work until it is provided and may be subject to disciplinary action.

10.9.7 COMPLAINT PROCEDURE

If an eligible employee has a complaint regarding an FMLA violation, he or she should discuss it with the supervisor, following the chain of supervision leading to the Finance Personnel Division. After pursuing this course of action, if the employee is not satisfied with the resolution of the problem, the employee may contact the State Personnel Department or the Wage and Hour Division of the U.S. Department of Labor.

10.10 HOLIDAYS

Most areas of the Department will close on all days deemed legal holidays as established by Alabama law and on any other days as may be declared holidays by the Governor. However, some employees may be required or requested to work on a holiday. In that case, the employee may accrue holiday leave to be taken later, subject to the approval of the supervisor, but no later than the quarter in which it was accrued. If the holiday leave cannot be scheduled during the designated quarter, the holiday leave may be accumulated at the request of the employee for up to one year. If the supervisor fails to ensure that the holiday leave was scheduled within the quarter, and the holiday leave is not carried forward at the request of the employee, the supervisor shall justify that action in writing to the Finance Director, with a copy to the Finance Personnel Division, and the employee shall receive

pay at the employee’s current rate of pay for any holiday leave to which the employee is entitled and has not been taken.

Accrued holidays will be used in eight-hour increments and will be used prior to the use of annual leave.

An employee must be in active pay status (eight hours) on the workday before and after the holiday to be entitled to the holiday. Part-time employees may receive the amount of time for which they are scheduled to work on that holiday; however, they must be scheduled to work on the holiday to receive it.

The following legal holidays are observed:

Holiday	Date Observed
New Year's Day	January 1
Robert E. Lee/Martin Luther King, Jr's Birthday	3rd Monday in January
George Washington/Thomas Jefferson's Birthday	3rd Monday in February
Confederate Memorial Day	4th Monday in April
National Memorial Day	last Monday in May
Jefferson Davis' Birthday	1st Monday in June
Independence Day	July 4
Labor Day	1st Monday in September
Columbus Day	2nd Monday in October
Veterans' Day	November 11
Thanksgiving	4th Thursday in November
Christmas Day	December 25
Mardi Gras Day*	Tuesday before Ash Wednesday
*Mardi Gras is observed in Baldwin and Mobile Counties only. All other state employees are granted one personal leave day each year if in employment status on January 1.	

10.11 LEAVE OF ABSENCE WITHOUT PAY

A permanent employee may request a leave of absence without pay for up to one year. Leave without pay not used for FMLA-purposes is subject to the approval of the Finance Director and State Personnel Director. The Finance Director will approve or disapprove the request based upon the best interest of the Department. The failure of an employee to report for work promptly at the end of a leave of absence will be just cause for dismissal. If necessary, to the business of Finance, an employee on a leave of absence may be notified to return to work prior to the end of the leave period. If the employee fails to return after being notified to return, the position will be considered vacant and may be filled by other means.

A leave of absence without pay will not be granted to allow employees to pursue other employment or go in business for themselves.

10.12 LEAVE WITHOUT PAY

Employees are responsible for maintaining sufficient annual and sick leave balances so that unofficial leave without pay (LWOP) is avoided. Unofficial LWOP is defined as an absence that results in the employee going off the payroll because of the lack of annual or sick leave to cover the absence. Absences resulting in unofficial LWOP are prohibited and shall result in disciplinary action. Excessive unofficial LWOP may warrant reconsideration of the retention of the employee or of the need for the position.

Disciplinary action will not be taken for official LWOP absences. Official LWOP is defined as an absence without sufficient leave to cover an employee on approved FMLA leave, an employee with a work-related injury covered by the SEICTF, or an employee on approved military leave.

10.13 LIVING DONOR LEAVE

Upon the recommendation of the Finance Director and approval of the State Personnel Director, a permanent employee with at least one year of State service may be granted Living Donor Leave with pay for donating an organ or bone marrow.

The employee must submit in writing a request for Living Donor Leave, supported by verification by the physician performing the medical procedure, to the Finance Director. Based on the certification of the attending physician, the employee may receive up to thirty days to donate an organ and up to seven days to donate bone marrow. The employee does not have to exhaust his or her leave accruals for this procedure. The request for Living Donor Leave must be approved by the State Personnel Director prior to the medical procedure.

10.14 MANDATORY LEAVE

The Finance Director, with the approval of the State Personnel Director, may require an employee to use accumulated annual leave or compensatory time under certain circumstances when the Finance Director deems the employee's absence from work to be in the best interest of the Department. Examples of such circumstances include a period when the employee is under investigation leading to disciplinary proceedings, the period of time pending a disciplinary hearing after the employee has received notice of such hearing, and at such times as the employee is physically incapacitated from performing the work assignment, such as in a state of intoxication. In the event an employee does not have sufficient accumulated annual leave or compensatory time, the employee may be placed on mandatory leave without pay.

10.15 MILITARY LEAVE

All employees in the state service, who are active members of the Alabama National Guard or Naval Militia, the Alabama State Guard organized in lieu of the National Guard, the civilian auxiliary of the U.S. Air Force (Civil Air Patrol), the National Disaster Medical System, or of the reserve components of the U.S. Army, Navy, Marine Corps, Air Force, or Coast Guard are entitled to military leave of absence on all days that they shall be engaged in field or coast defense or other training or on other service ordered under the provisions of the military laws of Alabama, or of the National Defense Act, or of the Federal laws governing the U.S. Naval Reserves, without loss of pay, time, annual vacation, or sick leave.

No such leave with pay shall be for more than 168 hours (21 days) in any one calendar year. In addition, such persons are entitled to be paid for no more than 168 hours when called by the Governor to duty in the active service of the state. Military leave is not granted in less than 8-hour increments.

Employees will earn both annual leave and sick leave at their regular rate while on military leave with pay and while on annual leave with pay. No employee shall accrue annual or sick leave while on military LWOP.

Requests for military leave must be submitted through the state time and attendance system and a copy of the orders to report for active duty must be submitted to the Finance Personnel Division prior to the use of the leave.

10.16 MILITARY PAY DIFFERENTIAL AND LEAVE RESTORATION

Requests for a pay differential and/or leave restoration based on § 31-12-5, of *The Code of Alabama 1975*, must be made in accordance with the guidelines set up for applying for reinstatement under the Uniformed Service Employment and Reemployment Rights Act of 1994 (USERRA).

10.17 PERSONAL LEAVE DAY

The Legislature created a personal leave day in lieu of the Mardi Gras holiday for state employees, except for those employees in Baldwin and Mobile Counties. To be eligible for a personal leave day, a person must be employed on January 1 of each year and must be in pay status the workday before and after January 1 of that year. Employees hired after this date are not entitled to a personal leave day that calendar year.

A personal leave day must be used as an eight-hour day and before any other type leave except sick leave or military leave. Supervisors will schedule their employee(s) to use a personal leave day that has not been used before December 31.

Part-time employees are entitled to a partial personal leave day calculated in the same manner as annual leave. Part-time, hourly employees are not eligible for a personal leave day.

10.18 SICK LEAVE

Employees in full-time permanent or temporary positions accrue sick leave at a rate of four hours and twenty minutes per semi-monthly pay period regardless of the employee's number of years' service. Sick leave accrual for part-time employees will be prorated. Employees must be in pay status 80% of their work schedule to receive leave accruals. Leave does not accrue except when an employee is actually working or on authorized leave with pay.

No more than 150 days (1,200 hours) of sick leave may be accumulated. Accumulated leave above this amount is placed into an excess account each pay period. If an employee suffers an extended illness or disability lasting more than 150 days, the State Personnel Board may, on the recommendation of the Finance Director, approve the restoration and use of any sick leave that might have been earned in excess of this maximum. Restoration of sick leave may be requested only when all leave balances have been exhausted.

The *Rules of the State Personnel Board 670-x-14-.01* (b) define sick leave as the absence from duty of an employee because of (1) illness; (2) bodily injury not incurred in line of duty or bodily injury or occupational illness incurred in line of duty; (3) attendance upon members of the immediate family whose illness requires the care of such employee; or (4) death in the immediate family of the employee.

Immediate family is defined to include spouse, children as defined by the Family and Medical Leave Act, grandchildren, parents or grandparents, sister or brother, mother-in-law or father-in-law, daughter-in-law or son-in-law. Where unusually strong personal ties exist, due to an employee having been supported or educated by a person of some relationship other than those listed, this relationship may be recognized for leave purposes. In each such case, the employee concerned shall file with the Finance Director a written statement of the circumstances that justifies an exception to the general rule.

The grieving period for the death of an immediate family member may exist through the date of burial; however, sick leave will only be authorized for up to three work days. Other forms of accrued leave may be used to account for additional time off required for grieving should the employee appropriately request and receive supervisory approval.

Further, the *Rules of the State Personnel Board 670-x-14-.01* (c) (d) state that sick leave with pay is not a right for which an employee may make demand, but a privilege granted in accordance with prescribed rules and regulations, to which the Department may make exceptions as the best interest of the work demand. At the discretion of the Finance Director, employees may be required to maintain a minimum number of sick leave hours.

Employees may be required to provide medical documentation to support leave for illness or injury. Any unjustified or fraudulent claim for sick leave may be punished by loss of pay, loss of accumulated leave, suspension, and/or dismissal. Sick leave cannot be used for annual leave purposes or to engage in any other employment during his or her scheduled work hours.

In accordance with Merit System Rules, the Department allows the transfer of accumulated sick leave not to exceed 480 hours (60 days) from county or city Boards of Education and state supported post-secondary schools in Alabama. When an individual is appointed from an Alabama school system or state-supported college, the Department will secure his or her sick leave balance and make this a part of the work history record to be called upon in the case of an extended illness. To accomplish this action, a letter and supporting documentation from the school system to the State Personnel Director must be presented to the Finance Personnel Division, who will then forward the letter to the State Personnel Director for review and approval. Leave approved under this provision will be placed in an escrow sick leave account only to be used if an employee exhausts all accumulated leave. Any such escrow balance will not be counted as accumulated sick leave earned with the state and, therefore, will not be paid upon retirement.

Employees are not compensated for accumulated sick leave when they separate from state service except in the case of retirement or death. In those instances, a payment for 50% of the employee's sick leave balance is made up to 600 hours. This completely liquidates the employee's balance. Another option allows an employee to convert all accrued regular sick leave, up to 150 days, to service credit to become eligible for retirement.

Employees leaving state service in good standing who are reemployed within a period of four years from the date of separation may have the sick leave accumulated during previous employment

restored upon recommendation by the Finance Director and approval by the State Personnel Director.

10.19 VOTING AND WORKING AT VOTING POLLS

Each employee shall be allowed to take necessary time off to vote in any local, state, or national primary or election for which the employee is qualified and registered to vote on the day the primary or election is held. The necessary time off shall not exceed one hour and if the hours of work of the employee start at least two hours after the opening of the polls or end at least one hour prior to the closing of the polls, then the time off for voting shall not be available. Employees must secure the approval of their supervisor before taking time off work to vote. Most schedules do not qualify employees to receive additional time off for voting.

An election official is a position established by statute with a fine for failing to attend. Individuals are appointed to serve as election officials by county officials from lists nominated by the political parties. A person so serving is paid \$50. If a state employee is appointed as an election official and performs such duties while in work status, the employee must endorse the check over to the Department. If the employee takes annual leave to perform as an election official, the employee may retain the \$50.

Employees who volunteer to work at the voting polls must take annual leave or leave without pay, if no annual leave is accrued, for the time they are away from their job.

SECTION 11: PERFORMANCE APPRAISAL

11.1 OVERVIEW

The state performance appraisal system continuously manages and evaluates an employee's performance of assigned work responsibilities and work conduct. The basis of the appraisal system is responsibilities and results. Responsibilities are the essential job functions and important activities of the position while results are the expected level of fully competent performance of each responsibility. The process of thoroughly defining the responsibilities and results of a position, communicating responsibilities and expectations to the employee, and continuously monitoring employee performance and providing feedback, offers a successful appraisal formula.

Performance appraisals are to be accurate and objective as they are used to determine salary increases, layoff calculations, calculations of scores on promotional registers, and in hearings for employees who have been recommended for suspension or termination. Performance appraisals can also be used as a motivational tool to boost productivity. It allows the employee with weak performance an opportunity to improve performance and become a more productive employee.

The performance appraisal is not a disciplinary tool but rather a reflection of an employee's performance during a specified review period. The performance appraisal and progressive discipline systems are to be used together. The appraisal system links disciplinary problems to reporting performance. The performance appraisal reflects whether an employee's job performance and/or work habits were deficient during a review period.

The information included in this section is intended to give a brief overview of the performance appraisal system. More specific information is available in the Performance Appraisal Manual and Progressive Discipline Manual published by the State Personnel Department Training Division. Additionally, courses are taught throughout the year to provide employees with information about the performance appraisal system as well as to assist supervisors in the proper use of the performance appraisal system. All supervisors are required to attend performance appraisal training prior to the completion of appraisal forms.

11.2 DEFINITIONS

Annual Appraisal (Employee Performance Appraisal [Form 13]) - The form used by the rating and reviewing supervisor to document an employee's work habits and job performance during the employee's annual review period.

Final Appraisal - A formal discussion, or meeting, between a rating supervisor and employee at the end of the employee's appraisal cycle where the rating supervisor notifies the employee if his or her performance and conduct fell below, met, or exceeded defined expectations with input from the reviewing supervisor.

Midappraisal - A formal discussion, or meeting, between a rating supervisor and employee at the midpoint of the employee's appraisal cycle where the rating supervisor notifies the employee whether his or her performance and conduct has fallen below, met, or exceeded defined expectations with input from the reviewing supervisor.

Permanent Classified Employee – An employee who has successfully completed the probationary period required to attain permanent merit system status in a position in the classified service.

Preappraisal (Employee Performance Preappraisal [Form 13P]) - A formal discussion, or meeting, between a rating supervisor and employee held at the beginning of the employee's appraisal cycle where the expected work habits and responsibilities of a position are clearly defined.

Probationary Appraisal (Employee Performance Probationary Appraisal [Form 13F]) – The form used by the rating and reviewing supervisor to document an employee's work habits and job performance during the employee's probationary period.

Probationary Employee – An employee who has not successfully completed the probationary period required to attain permanent merit system status in a position in classified service.

Rating Supervisor – The immediate supervisor of the employee whose performance is being appraised.

Reviewing Supervisor – A supervisor occupying a position in a higher-level classification than the rating supervisor who ensures adherence to performance appraisal guidelines.

11.3 PERFORMANCE APPRAISAL SYSTEM

There are two types of performance evaluations. One is for a probationary employee which typically covers a six-months period. The other is an annual evaluation of a permanent classified employee which typically covers a 12-months period. The appraisal period for both probationary and permanent employees consists of three distinct phases – preappraisal, midappraisal, and the final appraisal.

An employee's immediate supervisor (rating supervisor) is responsible for managing the performance appraisal process and complying with established guidelines. The appraisal should be objective and accurate because the rating supervisor has been monitoring behavior and communicating performance feedback during the appraisal period. In practically all cases, the rating supervisor should be an employee in a higher classification. Infrequently, however, an instance may occur where this is not possible. Such unusual circumstances must be thoroughly documented by the Department and approval secured from the State Personnel Department through the Finance Personnel Division.

In addition to a rating supervisor, the appraisal system requires the involvement of supervisor at a level higher than the rating supervisor to serve as the reviewing supervisor. The reviewing supervisor shares responsibility with the rating supervisor for adhering to performance appraisal guidelines.

11.3.1 PREAPPRAISAL

The employee preappraisal form must be completed and discussed with probationary and permanent employees at the beginning of the employee's appraisal cycle. This form is utilized to clearly define the responsibilities and results and expected work habits for the position. Whenever feasible, at least four responsibilities and results should be included on a preappraisal.

A preappraisal session is a two-way discussion between the rating supervisor and the employee. This session is an ideal time for the employee to have questions answered that specifically or generally

pertain to the appraisal process. The rating supervisor should be prepared to answer questions and provide one or two examples of how an employee can exceed performance of the defined responsibilities.

The employee should receive a copy of the preappraisal after the meeting. The rating supervisor keeps the original copy of the preappraisal until the midappraisal has been completed.

Significant changes in the responsibilities and results during the appraisal period must be documented on the preappraisal by the rating supervisor and shared with the employee. To signify notification, the employee and rating supervisor must initial and date each modification.

11.3.2 MIDAPPRAISAL

The midappraisal must be conducted with all probationary and permanent employees at the midpoint of the appraisal period. This is a sit-down session between the employee and the rating supervisor to discuss the employee's performance in meeting the defined results and work habits to include strengths and weaknesses. For areas in which the employee struggles with compliance or has deficiencies, the rating supervisor may want to develop an action plan that identifies the needed changes in behavior; explains the expected results or work conduct; signifies the timeframe in which the behavior will be monitored more closely; schedules a follow-up session to discuss progress; and, if applicable, indicates the type and level of assistance that will be provided by the supervisor or Department (e.g., training programs or closer supervision).

This meeting is documented through utilization of the preappraisal form under the midappraisal section and signed by the employee, rating supervisor, and the reviewing supervisor. A copy of the midappraisal and any attachments, if applicable, should be made for the employee and the Finance Personnel Division. The original form and attachments should be held in the supervisor's file and submitted to the Finance Personnel Division with the completed final appraisal.

11.3.3 FINAL APPRAISAL

The rating and reviewing supervisors review, evaluate, and document the performance of the employee during the appraisal period. The Employee Probationary Performance Appraisal and Employee Performance Appraisal forms are used to document employee performance. The rater should consider the employee's work habits, job performance, and if applicable, any progressive discipline administered during the appraisal period. The rating and reviewing supervisors may also obtain input from others having direct knowledge of the employee's work habits and job performance during the appraisal period.

The rater should compare the employee's actual performance level to what was defined as "meets standards" performance on the preappraisal. The rating and reviewing supervisors must discuss the ratings to ensure agreement and resolve any discrepancies or areas of disagreement prior to the form being discussed with the employee.

If the employee received progressive discipline during the appraisal period, it should be documented on the appraisal form with supporting documentation being included as an attachment. While a warning is formally documented on the appraisal, there is not a disciplinary score, or deduction of points. However, a reprimand carries a 7-points disciplinary score, a suspension carries a 17-points disciplinary score, and an involuntary demotion results in a 24-points disciplinary score. Only the disciplinary score for the highest step of progressive discipline administered to the employee during an appraisal period shall be deducted from the responsibility score on the final appraisal form. Supervisors shall not combine scores for various steps of progressive discipline.

After the form has been completed and the rating and reviewing supervisors agree, the rating supervisor should carefully plan and conduct the final appraisal session with the employee in a formal “sit-down” session. The rating supervisor should be ready to respond to any questions regarding the reasons for the ratings.

Once the final appraisal session has been completed and the employee, rating supervisor, and reviewing supervisor have provided their signatures, the final appraisal form, and associated attachments, if applicable, should be sent to the Finance Personnel Division by the specified deadline. Final appraisal forms must be completed and returned by specified deadlines as a failure to do so could prevent an employee from attaining merit system status and/or having their salary increased.

It is mandatory that the employee sign the appraisal form. As noted on the form, this signature does not denote agreement, but merely acknowledgement that the form has been discussed with the employee. Should an employee refuse to sign, the supervisor should issue a direct order to do so with the clear understanding by the employee that disciplinary action up to and including termination will occur if the direct order is not obeyed.

A performance appraisal form must be completed for any employee leaving state service for any reason including retirement, termination, or resignation.

11.4 PROBATIONARY PERIOD

Every person appointed to a position in the classified service must successfully complete a probationary period (working test period) before receiving permanent status. The probationary period for employees appointed from open-competitive or promotional certifications is a minimum of six months and cannot exceed 12 months (certain classifications may require a probationary period of one year). The probationary period for employees appointed from a reemployment certification is typically three months.

During the probationary period, an employee must reach the satisfactory or fully competent level of performance on both work habits and responsibilities and results as shown on the Employee Performance Preappraisal. The criteria for success are stated in the responsibilities and results written for each position and provided by the immediate supervisor.

The ratings on the probationary appraisal reflect whether the employee exhibited satisfactory or unsatisfactory work habits as well as whether the employee’s job performance met, exceeded, or fell below established performance standards. The ratings should complement the recommendation of the supervisor to make the employee permanent, extend the employee’s probationary period, or terminate the employee. The probationary appraisal is performed during the last month of the employee’s probationary period. The completed form and any associated documentation must be received by the State Personnel Department no later than ten calendar days before the end of the probationary period.

11.4.1 COMPLETION OF PROBATION

Regularly appointed employees who satisfactorily complete his or her probationary period shall be given permanent merit system status in the classification to which he or she was appointed. Subject to the availability of funds, the employee may be granted a performance salary increase effective at the beginning of the first semi-monthly pay period after completion of probation. The salary increase shall be one or two steps, depending on the employee’s performance during probation and the

recommendation of the supervisor. The month in which the salary increase is effective becomes the employee’s anniversary month for future merit/salary increases.

11.4.2 EXTENSION OF PROBATION

An employee whose rating does not “meet standards” or an employee that meets standards but has extenuating circumstances that are appropriately defined (e.g., incomplete training, poor attendance, failure to comply with rules), may have their probationary period extended. Usually, an extension is for a three-month period but can last up to six months. An employee may not serve in probationary status longer than a calendar year (one six-month probationary period and two three-month extensions).

11.4.3 REMOVAL/TERMINATION DURING PROBATION

An employee may be separated from state service during probation for being unable or unwilling to successfully perform his or her job responsibilities or for any other reason the employee is found to be unsuitable for continued employment. The employee will receive written notification from the Finance Director of such removal.

11.5 ANNUAL APPRAISAL

The Employee Performance Appraisal form is used for the final annual evaluation of the employee’s job performance and work habits and is completed towards the end of the review period at a time specified by the Finance Personnel Division. An employee must receive a performance appraisal annually.

Performance raises are given only when the Finance Director certifies that the employee has earned a raise by the level of performance of his or her work. Each employee, who is not at the maximum of the salary range, may be considered for a performance salary increase once each year. In no case can step raises exceed the maximum rate in a salary range. Progress within a salary range is determined by the employee’s performance evaluation. Employee evaluations are related to performance raises according to the following schedule:

Service Rating	Number of Steps
Does Not Meet Standards	0
Partially Meets Standards	0
Meets Standards	1
Exceeds Standards	2
Consistently Exceeds Standards	2

11.5.1 RATING CATEGORIES

Ratings for each responsibility assigned to the employee ranges from 0 to 4. The level of performance expected of an employee to be considered fully competent is “meets standards;” which is the level of performance that reflects the full scope/depth of expectations for the position.

The specific rating categories are as follows:

Does Not Meet Standards (rating of “0”) – Employee has serious performance deficiencies and has clearly failed to demonstrate the minimum level of performance expected for the position. Remedial training is required and, depending upon the success of retraining, administrative action

(reclassification/demotion) or disciplinary action may be appropriate. A rating of “0” must be justified with appropriate documentation attached.

Partially Meets Standards (rating of “1”) – Employee has demonstrated limited capability but fails to achieve the full result expected for the responsibility. Remedial training is required. A rating of “1” must be justified with appropriate documentation attached.

Meets Standards (rating of “2”) – Employees who fully achieve the level of performance expected for each responsibility are considered fully competent and are satisfying all expectations of them. The employee performed the necessary responsibility. Most employees should be rated in the category.

Exceeds Standards (rating of “3”) – Some employees may frequently exceed the expected results for a responsibility. Such performance is clearly above and beyond the expectations of the supervisor and has a significant and identifiable positive impact upon office operations.

Consistently Exceeds Standards (rating of “4”) – Few employees will demonstrate such consistent and significant performance. This rating is used to recognize that the employee can be relied upon to accomplish the most complex assignments required of an employee in the position with little or no supervision. Such performance is consistently above and beyond the expectations of the supervisor every time the responsibility was performed.

11.5.2 JUSTIFICATION FOR RATINGS

The tendency of supervisors to inflate the performance ratings of subordinates is the greatest weakness of any evaluation system. To accurately identify the top performers in each classification, supervisor ratings must be honest and founded upon objective observations of an employee’s performance. Those employees who demonstrate the truly exceptional performance will exhibit specific, identifiable, and/or uncommon achievements. These distinctive accomplishments serve as the means to justify a rating of “4 - Consistently Exceeds Standards.” Employees who fail to “meet standards” likewise exhibit specific, identifiable deficiencies, which require remedial attention.

Raters must provide written justification when a responsibility is rated a “0 - Does Not Meets Standards” or “1 - Partially Meets Standards.” A rating of “0 - Does Not Meet Standards” would suggest that administrative action occurred (i.e., involuntary demotion or disciplinary action). In these situations, the progressive discipline documentation (e.g., warning, reprimand) will satisfy the written justification requirement.

Raters are also required to provide written justification for situations where an employee’s overall performance evaluation score falls within the consistently exceeds standards range.

11.5.3 PARTIAL APPRAISAL

Situations arise where the employee or the rating supervisor relocate, and the employee has been supervised by more than one person during the rating period. It is very desirable for the new supervisor to receive ratings/feedback from the previous supervisor. A partial appraisal is a normal appraisal covering only part of the annual cycle. The current supervisor should consult with the previous supervisor to arrive at an appropriate rating. A partial appraisal for the period of three to nine months should be completed by the previous rater, discussed with the employee, and left with the reviewing supervisor to give to the new rater. The employee must acknowledge the appraisal discussion by providing his or her signature and may attach comments if he or she has any disagreements or concerns.

11.5.4 CHANGES TO APPRAISAL

The rater and reviewer meet prior to the performance appraisal being administered to the employee to ensure accurate appraisals are issued using available information. There are times, however, where the employee is able to provide information to supervisory staff warranting a change to the appraisal. In this scenario, the rater and reviewer can submit correspondence through their supervisory chain to the Finance Personnel Division requesting that a change be made to an employee's performance appraisal. Only the rating officials may change ratings or comments and then only if the appraisal has not been made a matter of record at the State Personnel Department.

11.6 RESPONSIBILITIES

11.6.1 FINANCE PERSONNEL DIVISION

- A. Draft/coordinate/publish department specific policies and guidelines relative to the employee performance appraisal process.
- B. Provide Division Directors with performance appraisal forms and notification of when appraisals/mid-appraisals due.
- C. Monitor appraisals for compliance with existing policy.

11.6.2 RATING SUPERVISOR

- A. General Guidelines – A supervisor should take the following guidelines into consideration when appraising an employee's performance:
 - 1. Appraising employee performance is a continuous process of daily observing, documenting, and counseling, not simply an action to be performed once a year.
 - 2. Responsibilities and results of an employee's position need to be clear, accurate, and written in the proper format as outlined in the State of Alabama Performance Appraisal Manual.
 - 3. Feedback to the employee, both positive and negative, is critical to the evaluation process.
 - 4. Appraisals are to be accurate and objective. Evaluate the employee's performance for the entire period to be rated. Do not be influenced by one or two unusual incidents or based on just the most recent performance. Do not compare employees to one another. Keep notes and documentation. Refer to them before and during the appraisal.
 - 5. Documentation is an important part of the appraisal process. A supervisor must be able to substantiate ratings of employee performance on responsibilities and work habits.
- B. Specific Guidelines – Supervisors should use the following information as a guide to ensure fulfillment of all obligations associated with the appraisal process. Finance Division Directors may have implemented specific guidelines that are to be followed within the division.
 - 1. Define responsibilities on the Employee Performance Preappraisal and discuss with employee.
 - 2. Observe employee performance daily and document significant observations.
 - 3. Provide employee feedback on the positive/negative aspects of their job performance. Negative observations of performance on any responsibility should be documented and discussed with the employee.
 - 4. Conduct the midappraisal counseling session after completing the midappraisal form.

5. Prepare the Probationary/Annual Employee Performance Appraisal. Refer to documentation regarding positive/negative performance and develop an accurate assessment of the employee's performance for each responsibility representing typical performance for the entire period.
6. Prepare written documentation for an overall performance appraisal score that falls in the consistently exceeds standards, partially meets standards, or does not meet standards category. Documentation must explain the performance and provide specific examples of the strong or poor performance.
7. Discuss the proposed appraisal with the reviewing supervisor and consider any supervisory input before making final rating.
8. Discuss the appraisal with the Finance Personnel Director if the overall rating falls into the partially meets standards or does not meet standards category. Be prepared to substantiate responsibility ratings with supporting documentation.
9. Ensure math is correct, the last four digits of the rater and reviewer are listed, all corrections on the form are initialed by the appropriate person, and that the final appraisal score is carried out two decimal places and rounded to the nearest digit using standard accounting principles.
10. Discuss appraisal with employee in a private/formal setting. The rater should be prepared to discuss his or her rationale in arriving at the final ratings.
11. Inform employee he or she may submit written comments if a disagreement is noted.
12. When the appraisal form has been completed, the rating supervisor should forward the Employee Performance Appraisal and any attached documentation to the reviewing supervisor for signature.

11.6.3 REVIEWING SUPERVISOR

- A. Review the appraisal and discuss the rating supervisor's rationale for proposed ratings and review the quality of the documentation supporting the ratings.
- B. Counsel rating supervisor if ratings appear unfair or inadequately documented/justified. Add written comments to the appraisal if required to explain any disagreement with rater or add to content of the appraisal.
- C. The reviewing supervisor must investigate any situation when an employee refuses to sign the form, or when rebuttal comments are attached. Problems should be addressed, and attempts made to resolve the conflicts now. When a reviewing supervisor investigates a situation, it is important to document the actions and discussions on a comment page and attach it to the form. The reviewer should then initial on the appropriate line denoting that comments are attached.
- D. The reviewing supervisor must forward the Employee Performance Appraisal and any documentation to Finance Personnel.

11.6.4 EMPLOYEE

- A. When the appraisal is discussed with the employee by the rating supervisor, the employee may ask for the rater's rationale in making the assessment and ask that any omitted accomplishment be taken into consideration.
- B. The employee must sign and date the appraisal acknowledging that the information on the form was discussed with the employee. Signature does not denote agreement but indicates discussion. Refusal to sign can result in the initiation of disciplinary action.

- C. If the employee disagrees with the appraisal, a rating, or a comment, the employee should advise the rater of the disagreement and ask for reconsideration. If the rater fails to change the rating/comment, the employee may then submit written comments within ten working days explaining the disagreement to the rater for attachment to the appraisal. The employee will initial and date the appropriate line in the signature section of the appraisal.

SECTION 12: PROGRESSIVE DISCIPLINE

12.1 OVERVIEW

The progressive discipline process was created and implemented by the State Personnel Department to address behavioral and job performance deficiencies among employees. The objective of progressive discipline is not punishment but rather to change an employee's behavior and/or performance towards the desired result. This change is accomplished by the implementation of a series of steps beginning with counseling and progressing in severity for continued infractions. Rehabilitating, or changing, an existing employee is beneficial to the Department as it saves in the areas of recruitment, lost time in the job, and initial training costs of a new employee.

The progression of discipline usually proceeds in the following manner:

- Counseling (non-disciplinary)
- Warning
- Reprimand
- Suspension from work without pay
- Involuntary demotion (Often combined with another step of progressive discipline.)
- Termination

Note: Permanent merit system employees have a property right in his or her job under Alabama law and are entitled to due process before any disciplinary actions affecting their property rights can be taken against them (i.e., suspension, involuntary demotion, and termination).

The information included in this section is only intended to give you a brief overview of progressive discipline. More specific information is available in the *Progressive Discipline Manual* published by the State Personnel Department Training Division. Additionally, courses are taught by the State Personnel Department throughout the year to provide employees and supervisors with information about the use of progressive discipline.

Progressive discipline is documented through the performance appraisal process described in Section 11: Performance Appraisal.

12.2 COUNSELING BEFORE DISCIPLINE

Supervisors are encouraged to counsel employees prior to resorting to progressive discipline. Counseling is not discipline but rather a method to clearly and concisely document communication between a supervisor and employee regarding deficient work conduct and/or performance issues. Counseling is an effective method for supervisors to address problem areas with employees and offer them an opportunity to improve. After counseling, it is up to the employee to correct the issue(s) addressed to the level specified by the supervisor. In most situations, employees improve in the area(s) of concern and an official step of progressive discipline is not required.

Most issues (e.g., punctuality, absenteeism, or dress code) can be addressed by counseling. However, depending on the severity of an offense, the supervisor may elect to skip counseling and implement an official step of progressive discipline. Serious rules violations should not be addressed through counseling but rather through progressive discipline.

12.3 STEPS OF DISCIPLINE

Employees who fail to change behavior and/or job performance to desired levels after counseling will be subject to progressive discipline.

12.3.1 WARNING

The first step of progressive discipline is a warning.

A warning is documented in writing and must state, "This is a warning." The document must include areas for the supervisor to indicate the offense, facts related to the situation, and suggest a remedy using input from the employee. In the remedy section, it may be appropriate to develop a corrective action plan (CAP) to address the problem area. A CAP informs the employee of the area(s) where improvement is required, the desired result(s), and a specific time in which the behavior will be reviewed. Supervisors should reference the Progressive Discipline Manual published by the State Personnel Department Training Division for assistance in composing a CAP.

A warning should be administered to the employee in a formal, private meeting. The employee should be informed that further disciplinary action will be implemented if the behavior and/or job performance area does not change to the desired level. At no time will a supervisor specify the next step of progressive discipline.

The employee must sign the warning acknowledging discussion and receipt of the form rather than agreement with the action taken. Refusal by the employee to sign the form will be considered insubordination resulting in further disciplinary action. The employee does not have the right to appeal the warning; however, the employee can submit a response to the disciplinary action by submitting a written rebuttal within five working days after the warning has been administered. The rebuttal will be included in the employee's personnel file along with the warning.

A copy of the warning and associated documentation (e.g., documented counseling, work product samples, etc.) must be given to the employee and a copy should be forwarded to the Finance Personnel Division for inclusion in the employee's work history file.

A warning is documented on the Employee Performance Appraisal for the appropriate appraisal period in which it was administered. A warning does not result in any points being deducted from the employee's overall performance appraisal score; however, the applicable work habit area and/or responsibility rating may be negatively impacted. A copy of the warning is to be attached to the completed Employee Performance Appraisal as documentation.

12.3.2 REPRIMAND

The second step of progressive discipline is a reprimand.

A reprimand is typically implemented when an employee's behavior and/or job performance continues or further deteriorates even after he or she has been counseled and/or given a warning. A reprimand is documented in writing and must state, "This is a reprimand." As is the case with a warning, the supervisor should document the facts related to the situation and suggest a remedy using input from the employee (a CAP may be beneficial).

All reprimands should be forwarded to the rating supervisor, or his or her designee, for review and approval prior to being administered to the employee. If approved, the reprimand and supporting

documentation will be forwarded to the Finance Personnel Director to ensure the proposed action is procedurally correct.

Once approval is attained from the Finance Personnel Director, the supervisor should administer the reprimand to the employee. A reprimand should be administered to the employee in a formal, private meeting. The employee should be informed that further disciplinary action will be implemented if the behavior and/or job performance area does not change to the desired level. At no time will a supervisor specify the next step of progressive discipline.

The employee must sign the reprimand acknowledging discussion and receipt of the form rather than agreement with the action taken. Refusal by the employee to sign the form will be considered insubordination and result in further disciplinary action. The employee does not have the right to appeal the reprimand; however, the employee can submit a response to the disciplinary action by submitting a written rebuttal within five working days after the reprimand has been administered. The rebuttal will be included in the employee's personnel file along with the reprimand.

A copy of the signed reprimand and associated documentation (e.g., witness statements, work product samples) must be given to the employee and a copy should be forwarded to the Finance Personnel Division for placement in the employee's work history file.

A reprimand is documented on the Employee Performance Appraisal for the appropriate review period in which it was administered. The work habit area or responsibility of poor performance should reflect the discipline that occurred. The reprimand should be documented in the "Disciplinary Action" section of the Employee Performance Appraisal. By receiving a reprimand, the employee's overall performance appraisal score will be reduced seven points.

12.3.3 SUSPENSION

The third step of progressive discipline is a suspension from state service without pay.

A suspension is a severe and extremely serious step in an employee's career in state government. An employee cannot be suspended for more than 30 business days within a one-year period.

Suspensions are not appealable to the State Personnel Board. Therefore, to ensure employees are afforded their due process rights, permanent employees are offered a pre-disciplinary hearing before an impartial Hearing Officer. Probationary employees and unclassified/exempt employees are not entitled to administrative hearing proceedings established under this section.

In situations where a manager believes a suspension is warranted, he or she should prepare and submit a Recommendation for Suspension memorandum along with all supporting documentation/evidence to the Finance Personnel Director. The Finance Personnel Director will review the case to ensure the proposed suspension is compliant with the provisions set forth in this section. If deemed acceptable, the Finance Personnel Director will forward to the Chief Legal Counsel who will present the recommendation to the Finance Director, or his or her designee(s), for review and approval to serve on the employee. If approved, the Finance Chief Legal Counsel will notify the manager, or his or her designee, that a Notice of Recommendation for Suspension will be prepared and served on the employee. The employee must sign and date the notice acknowledging his or her receipt.

After the employee has been served, he or she can choose to 1) hold the hearing, with or without witnesses being made available; 2) waive his or her right to hold a hearing and instead provide a

written response to the allegations for presentation and consideration by the Finance Director; or 3) waive his or her right to hold a hearing or respond in writing; effectively accepting the recommended suspension.

Employees desiring to hold a hearing will be provided an opportunity of no less than ten work days from the date in which they were formally notified of the recommended suspension to formulate a response/defense to the allegations. Should the employee desire to hold the pre-disciplinary hearing, the Finance Chief Legal Counsel will be responsible for scheduling a date, time, and location for the hearing.

The Finance Director will assign another Department employee to serve as the Hearing Officer. The Hearing Officer should be a high-ranking manager within the Department who is assigned to a Finance division other than that in which the employee facing suspension is assigned. The Hearing Officer will conduct a hearing to receive information in support of and against the reasons for the suspension. The employee may, at their own expense, be represented by an attorney and/or employees' association representative. Moreover, the employee will be allowed to call witnesses who have direct knowledge of the actions/incidents upon which the allegations are based. The hearing will be closed and attended only by persons with an official purpose. The Department carries the burden of proving the suspension is warranted based on the totality of the circumstances. Further, the Department may offer for consideration the previous work history (documented) of the employee.

Upon conclusion of the pre-disciplinary hearing, the Hearing Officer will formulate a written recommendation that either upholds the recommended suspension or offers an alternative solution, which could include a lesser or more severe penalty. This recommendation will be presented to the Finance Director for consideration and final decision.

The Finance Personnel Director or Finance Chief Legal Counsel will prepare a letter for the Finance Director's signature notifying the employee of the final decision. If the recommended suspension is upheld, the letter will include specific terms of the suspension (e.g., suspension dates and return to work obligations). The signed letter will be forwarded to the appropriate manager, or designee, for presentation to the employee in a formal, private setting. The employee will be required to sign and date the letter acknowledging receipt, not agreement. Refusal by the employee to sign and date the letter will result in a charge of insubordination and further disciplinary action. The supervisor is responsible for forwarding the signed/dated copy of the letter to the Finance Personnel Division for placement in the employee's work history file.

A suspension is documented on the Employee Performance Appraisal for the appropriate review period. The work habit area or responsibility of poor performance should reflect the discipline that occurred. The step of progressive discipline should be documented in the "Disciplinary Action" section of the Employee Performance Appraisal. A suspension will result in the employee's overall performance appraisal score being reduced by 17 points.

12.3.4 INVOLUNTARY DEMOTION

An involuntary demotion ("demotion") is a severe and extremely serious step in the employee's career in state government; thus, disciplinary action at this level must be imposed by the Finance Director. A demotion is often combined with another step of progressive discipline such as a warning, reprimand, or suspension.

To ensure a permanent employee is afforded his or her due process rights, the Department offers the employee the opportunity to hold a pre-disciplinary hearing before an impartial Hearing Officer. Probationary employees and unclassified/exempt employees are not entitled to administrative hearing proceedings.

When considering whether an employee should be demoted, the manager should perform a thorough review of the employee's work history, annual evaluations, and previous/pending disciplinary actions. In situations where a manager believes a demotion is warranted, he or she should prepare and submit a Recommendation for Demotion memorandum along with all supporting documentation/evidence to the Finance Personnel Director. The recommendation must state the charges in enough detail to permit the employee the ability to prepare a defense for the hearing or provide a written response to the allegations.

The Finance Personnel Director will review the case to ensure the proposed demotion is compliant with the provisions set forth in this section. If deemed acceptable, the Finance Personnel Director will forward to the Chief Legal Counsel who will present the recommendation to the Finance Director, or his or her designee(s), for review and approval to serve on the employee. If approved, the Finance Chief Legal Counsel will notify the manager, or his or her designee, that a Notice of Recommendation for Demotion will be prepared and served on the employee.

After the employee has been served, he or she can choose to 1) hold a hearing, with or without witnesses being made available; 2) waive his or her right to hold a hearing and instead provide a written response to the allegations for presentation and consideration by the Finance Director; or 3) waive his or her right to hold a hearing or respond in writing, effectively accepting the recommended demotion.

Employees desiring to hold a hearing will be provided an opportunity of no less than ten work days from the date in which they were formally notified of the recommended demotion to formulate a response/defense to the allegations. Should the employee desire to hold a pre-disciplinary hearing, the Finance Chief Legal Counsel will schedule a date, time, and location for the hearing to be held.

The Finance Director will assign another Department employee to serve as the Hearing Officer. The Hearing Officer should be a high-ranking manager within the Department who is assigned to a Finance division other than that in which the employee facing demotion is assigned. The Hearing Officer will conduct a hearing to receive information in support of and against the reasons for the demotion. The employee may, at their own expense, be represented by an attorney and/or employees' association representative. Moreover, the employee will be allowed to call witnesses who have direct knowledge of the actions/incidents upon which the allegations are based. The hearing will be closed and attended only by persons with an official purpose. The Department carries the burden of proving the demotion is warranted based on the preponderance of the evidence.

Upon conclusion of the pre-disciplinary hearing, the Hearing Officer will formulate a written recommendation that upholds the recommended demotion or offers an alternative solution, which could include a lesser or more severe penalty. This recommendation will be presented to the Finance Director for consideration and final decision.

The Finance Personnel Director or Finance Chief Legal Counsel will prepare a letter for the Finance Director's signature notifying the employee of his or her final decision. If the recommended demotion is upheld, the letter will include specific terms of the demotion (e.g., new classification title, job assignment and location, salary rate). The signed letter will be forwarded to the appropriate

manager, or designee, for presentation to the employee in a formal, private setting. The employee will be required to sign and date the letter acknowledging receipt, not agreement. Refusal by the employee to sign and date the letter will result in a charge of insubordination and further disciplinary action. The supervisor is responsible for forwarding the signed/dated copy of the letter to the Finance Personnel Division for placement in the employee's work history file.

When an employee is demoted, his or her salary must be reduced to at least the maximum rate for the new classification. If the employee's present salary falls within the range for the lower classification, the salary may be decreased at the time of demotion, at the request of the Finance Director.

An employee receiving a demotion cannot appeal the decision to the State Personnel Board; however, they can appeal the decision to the State Personnel Director for review within ten days after being notified of the demotion.

Demotion is documented on the Employee Performance Appraisal for the appropriate review period. The corrective action should be documented in the "Disciplinary Action" section of the Employee Performance Appraisal. A demotion will result in the employee's overall performance appraisal score being reduced by 24 points.

12.3.5 TERMINATION

The final step of discipline is termination, also referred to as separation or dismissal. Only the Finance Director can terminate an individual's employment.

Prior to recommending termination, the manager should consult with the Finance Personnel Director. If termination appears warranted, the manager should prepare and submit a Recommendation of Termination memorandum along with all supporting documentation/evidence to the Finance Personnel Director. The memorandum must state the charges in enough detail to permit the employee the ability to prepare a defense for the pre-disciplinary conference or respond to the allegations in writing.

The Finance Personnel Director will review the case to ensure the proposed termination is compliant with the provisions set forth in this section. If deemed acceptable, the Finance Personnel Director will forward the recommendation to the Finance Chief Legal Counsel who will present the recommendation to the Finance Director for review and approval to serve on the employee. If approved, the Finance Chief Legal Counsel will notify the Finance Personnel Director and the manager, or his or her designee, that a Notice of Recommendation for Termination will be prepared and served on the employee.

After the employee has been served, he or she can choose to 1) hold the conference; 2) provide a written response to the allegations for presentation and consideration by the Finance Director; or 3) voluntarily resign from state service. It is highly probable that an employee choosing to voluntarily resign in lieu of termination will not be recommended for re-employment with the Department.

Depending on the nature of the offense leading to the recommended termination, an employee may be placed on mandatory leave, with or without pay, until a final decision has been reached by the Finance Director. In situations where mandatory leave appears appropriate, the Finance Chief Legal Counsel will coordinate with the State Personnel Director to receive proper authorization. An employee cannot be placed on mandatory leave unless first authorized by the State Personnel Director.

Should the employee desire to hold the pre-disciplinary conference, the Finance Chief Legal Counsel will schedule a date, time, and location for the conference. The Finance Director will assign another Department employee to serve as a Hearing Officer. The Hearing Officer should be a high-ranking manager within the Department who is assigned to a Finance division other than that in which the employee facing termination is assigned.

The Hearing Officer will conduct the conference receiving information from the employee relative to the allegations used as the basis for the recommended termination. The employee may, at their own expense, be represented by an attorney and/or employees' association representative. However, only the employee may answer the charges listed in the notice of recommended termination letter from the Finance Director.

Upon conclusion of the pre-disciplinary conference, the Hearing Officer will formulate a written recommendation that upholds the recommended termination or offers an alternative solution, which could include a less severe penalty. This recommendation will be forwarded to the Finance Chief Legal Counsel who will present to the Finance Director. Based on the information received, the Finance Director will make a final decision regarding the employee's employment status. In all cases, before dismissing a permanent employee, the appointing authority shall consider the previous disciplinary and performance history of the employee and any progressive discipline received.

The Finance Personnel Director or Finance Chief Legal Counsel will prepare a letter for the Finance Director's signature notifying the employee of his or her final decision. If the recommended termination is upheld, the letter will include specific terms of the termination to include the effective date. For employees who are not on mandatory leave, the signed letter will be forwarded to the appropriate manager, or designee, for presentation to the employee in a formal, private setting. The employee will be required to sign and date the letter acknowledging receipt, not agreement. The manager is responsible for forwarding the signed/dated copy of the letter to the Finance Personnel Division for placement in the employee's work history file. For employees on mandatory leave, the letter will be mailed to the employee's address of record by certified and general mail.

A permanent employee who is dismissed from state service may, within ten days after receipt of written notice, file an appeal and a written answer to the charges with the State Personnel Board requesting that a hearing be held. The appeal request must specifically address every charge made against the employee along with a current address, telephone number, and, if possible, an email address and facsimile number.

Probationary employees and unclassified/exempt employees are not entitled to administrative hearing proceedings.

SECTION 13: SEPARATION FROM EMPLOYMENT

An employee may separate from employment by resignation, transfer to another department, expiration of temporary appointment, expiration of provisional appointment, end of a conditional appointment, removal during probation, termination, job abandonment, layoff, retirement, or death.

13.1 RESIGNATION

13.1.1 RESIGNATION BY LETTER

An employee who intends to resign from employment with the Department must submit a letter of resignation to the Finance Director. The employee is required to submit the written notice of resignation directly to his or her supervisor and the Finance Personnel Division at least two weeks prior to the effective date of the separation. Failure to give proper notice could result in the employee not being recommended for reemployment.

Resignations are not considered final until the Finance Director, or designee, accepts the resignation by signing and dating the employee's written notice of resignation. Once the resignation becomes final, the terms and conditions of the resignation, to include an employee's request to rescind the resignation altogether, can only be modified with the Finance Director's approval.

Individuals resigning from employment in good standing are eligible for reemployment. However, employees voluntarily resigning amid pending disciplinary action will not be recommended for reemployment.

13.1.2 RESIGNATION BY JOB ABANDONMENT

An employee can also resign from state service through job abandonment. Job abandonment consists of three days of unexcused, unreported absence from work. "Unreported absence from work" means that the Department has no knowledge of the employee's location and has had no contact with the employee. In this situation, the Finance Director will send a letter to the employee informing him or her that their resignation has been accepted and they are not eligible for reemployment.

13.2 TRANSFER TO ANOTHER STATE AGENCY

An employee who desires to transfer to another state agency in the same classification must submit a letter requesting the Finance Director's approval. A transfer to another state agency is not done at the sole discretion of the employee as it must be approved by the appointing authorities in both agencies involved as well as the State Personnel Director. Such approvals must be secured prior to the effective date of the transfer; thus, the notice of transfer must be issued at least two weeks prior to the desired transfer effective date, which must be effective at the beginning of a pay period.

The transfer of an employee's accrued annual and/or sick leave balances are not automatically accepted by the receiving agency. Should the receiving agency deny the transfer of annual and/or sick leave balances upon transfer, the employee forfeits the accumulated leave balances as payment is not authorized. The Department does authorize payment for unused compensatory time and/or holiday leave balances.

Employees desiring to transfer to another state agency should consider that his or her seniority, as it pertains to a reduction in force (layoff), is negatively affected. Employees will also have to restart eligibility requirements for leave benefits provided under the FMLA.

Probationary employees are not eligible for a transfer to another state agency unless the State Personnel Director determines that the employee would have been eligible for appointment at the time of his or her initial appointment to the new agency.

13.3 EXPIRATION OF A TEMPORARY APPOINTMENT

Temporary appointments cannot exceed 104 days worked, or 832 hours. Employees appointed on a temporary basis are “at will” employees, meaning they can be separated at any time during the appointment period. Employees wishing to separate from employment prior to the expiration of his or her temporary appointment period must provide their immediate supervisor with written notification at least one week prior to the effective date. Failure to provide such notice could jeopardize future employment consideration with the Department.

13.4 EXPIRATION OF A PROVISIONAL APPOINTMENT

Provisional appointments are made when there is not an appropriate register from which a regular appointment can be made or when there are fewer than three available candidates on register. Provisional appointments cannot be continued for more than 156 work days.

The Department is not obligated to hire the provisional appointee and can separate him or her from employment at any time during the appointment period. Employees wishing to separate from employment must provide his or her immediate supervisor with written notification at least one week prior to the effective date. Failure to provide such notice could jeopardize future employment consideration with the Department.

13.5 SEPARATION OF A CONDITIONAL APPOINTMENT

A conditional employee shall be separated from service upon the expiration of circumstances that required his or her appointment (e.g., federal grant funding or substitution for an employee on extended leave without pay) without further notice, process, or use of layoff procedures. While the Department will make every attempt feasible to find the conditional employee a comparable position, conditional appointees are not guaranteed continued employment after the condition for their employment expires.

13.6 SEPARATION OF A PROBATIONARY EMPLOYEE

A probationary employee does not have permanent status and may be terminated by the Finance Director at any time prior to attaining permanent merit system status. The appropriate manager shall forward a written recommendation through the Finance Personnel Director to the Finance Director. The recommendation must be supported by adequate documentation (e.g., corrective action records). The Finance Director will provide written notice of termination outlining, in general terms, the reason(s) for the termination. No pre-disciplinary process is required before the separation of a probationary employee.

An employee whose employment is terminated during their probationary period does not have appeal rights to the State Personnel Board.

13.7 TERMINATION

The Finance Director may terminate the employment of an employee for the good of state service for reasons stated in writing and presented to the employee. See Termination under Progressive Discipline, Section 12.3.5.

13.8 LAYOFF

The Finance Director may lay off employees whenever it is deemed necessary due to shortage of work or funds, or the abolishment of a position or other material change in duties and organization. The Finance Director, in accordance with the *Rules of the State Personnel Board*, determines the order in which employees in the classified service are to be laid off.

13.9 RETIREMENT

See Retirement under Payroll and Benefits, Section 9.7.

13.10 DEATH

The death of an individual while in state service requires immediate action by the Finance Personnel Division and others to inform and assist the family members/beneficiaries of survivor benefits. To that point, the supervisor of the deceased employee is responsible for notifying the Finance Personnel Division of such a scenario so that written correspondence can be sent to the designated beneficiaries providing general information pertaining to survivor benefits.

SECTION 14: EMPLOYEE SYSTEM USE POLICY

Inappropriate use of state information technology (IT) resources exposes the state and its data to risks including potential virus attacks, compromise of network systems and services, and legal liabilities. Effective security is a team effort involving the participation and support of every employee who deals with information and/or information systems. It is the responsibility of every IT user to know these rules and to conduct their activities accordingly. These rules are in place to protect the employee, the Department, the state, as well as the data of the Department and other state data.

14.1 PURPOSE

Define acceptable and non-acceptable use of state-owned IT resources including systems and devices, software, Internet, and communications capabilities including e-mail, instant messaging, and social media.

14.2 SCOPE

This policy applies to all employees. Internet/Intranet/Extranet-related systems, including but not limited to computer equipment, software, operating systems, storage media, and network accounts providing electronic mail, Internet access, and Web browsing are the property of the Department. These systems are to be used for business purposes in serving the interests of the Department and of the people it serves during normal operations.

14.3 PERSONAL USE

Limited personal use of state-managed computing resources is anticipated; however, employees and managers are responsible for exercising good judgment regarding the reasonableness of personal use. Users do not enjoy any right of personal privacy when using Department-provided Internet/Intranet/Extranet-related systems.

14.4 PROHIBITED ACTIVITIES

The following activities are prohibited when using state IT resources:

- Streaming music and videos.
- Any activity that is illegal under local, state, federal, or international law.
- Non-incident personal use of state-managed computing resources.
- Activities in support of personal or private business enterprises.
- Unauthorized reproduction of copyrighted material.
- Violating the rights of any person or other legal entity protected by copyright, trade secret, patent or other intellectual property laws, or similar laws or regulations, including, but not limited to laws which protect against the installation or distribution of software products that are not appropriately licensed for use by the state.
- Exporting software, technical information, encryption software, or technology, in violation of international or regional export control laws.

- Introducing malicious software (malware) into the network or systems (e.g., viruses, worms, Trojan horses, logic bombs, etc.) within reason of user's control.
- Making fraudulent offers of products or services.
- Making statements of warranty, expressed or implied, unless part of normal duties.
- Accessing, possessing, or transmitting material that is in violation of sexual harassment or hostile workplace laws.
- Accessing, possessing, or transmitting any sexually explicit, offensive, or inappropriate images and/or text.
- Effecting security breaches or disruptions of network communication (security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless within the scope of regular duties; potential disruptions include, but are not limited to, ping sweeps, IP spoofing, and forging routing information for malicious purposes).
- Port scanning, packet sniffing, or other security scanning without prior approval of the Finance Director or his or her designee.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any host, network, or account.
- Interfering with or denying service to any user except during assigned duties.
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the network.
- Accessing web sites offering online gambling, games, and related information such as cheats, codes, demos, online contests, role-playing games, traditional board games, game reviews, and sites that promote game manufacturers.

14.5 INTERNET ACCESS POLICIES

Access to the Internet is provided as a business and informational resource to support and enhance the capability of Internet users to carry out their job responsibilities. Internet users are expected to handle their access privileges in a responsible manner and to follow all Internet-related policies and procedures.

The Department reserves the right to access, monitor, or disclose all Internet activity as required while monitoring, auditing, or responding to legal processes or investigative procedures.

Users do not enjoy any right of personal privacy when using Department-provided Internet services. All records created as a result of using Internet services are government records. As such, these records are subject to the provisions of state laws regarding their maintenance, access, and disposition.

Internet usage records may be public records under the Alabama public records laws and may be made available to the public upon lawful request.

It is the responsibility of every supervisor to take appropriate managerial and/or disciplinary action for inappropriate uses of Internet services by state employees or other persons accessing Internet services.

Internet Content Management

Use of Internet resources for accessing online games, Internet gambling sites, and viewing or downloading content inappropriate for official state business exposes the state and its data to risks including virus attacks, spyware and other malware threats, compromise of network systems and services, and potential legal issues. To mitigate these risks, access to certain categories of Internet content is restricted (blocked).

The following categories of Internet content present a threat to the security of state systems or have been deemed not necessary for conducting official state business and are therefore blocked:

- Pornography/nudity
- Gambling
- Online games
- Spyware/malware sources and effects

Exceptions may be granted to access blocked web sites for employees that have a business need for access in order to do their jobs. Each request for access to a blocked web site requires a legitimate business need and written approval of the Finance Director or his or her designee.

14.6 E-MAIL USAGE POLICIES

All electronic communications are expected to comply with relevant federal and state laws as well as state policies and standards formulated to ensure the integrity and availability of e-mail system resources. The following requirements apply to the use of state-provided e-mail systems:

- E-mail shall be distributed, stored, and disposed of based on the data content in accordance with State information management requirements.
- E-mail content created, stored, transmitted, or received using state resources are the property of the state.

Nothing in this policy shall be construed to waive any claim of privilege or confidentiality of e-mail content. Only authorized personnel may access, monitor, or disclose e-mail content for state business purposes or to satisfy legal obligations.

14.6.1 PERSONAL USE OF STATE E-MAIL

State e-mail systems are to be used for business purposes in serving the interests of the government and of the people it serves; however, incidental, occasional personal use of state e-mail is permitted. Users do not enjoy any right of personal privacy when using Department-provided e-mail services.

Employees and supervisors are responsible for exercising good judgment regarding the reasonableness (frequency and duration) of personal use.

In accordance with § 36-25-5, *The Code of Alabama 1975*, state e-mail shall not be used for “personal gain.”

Personal e-mail shall be deleted or saved separately from work-related e-mail.

Users are permitted to include personal appointments in their Outlook calendar to help eliminate scheduling conflicts.

Users may store personal contact information in their Outlook contacts folder.

14.6.2 PROHIBITED USES OF STATE E-MAIL

State e-mail systems shall not be used for the creation or distribution of any disruptive or offensive messages, including offensive (vulgar or pornographic) content or offensive comments about a person's race, gender, age, appearance, disabilities, political or religious beliefs and practices, or sexual orientation. Employees who receive any e-mails with this content from any state employee should report the matter to their supervisor immediately.

In addition, the following activities are prohibited:

- Sending or forwarding remarks and/or images considered obscene, offensive, racist, libelous, slanderous, or defamatory (as defined, where applicable, in *The Code of Alabama 1975*).
- Using a state e-mail account to send or forward mass mailings of virus or malware warnings, security advisories, terrorist alerts, or other mass e-mailings without prior approval of the Group Distribution List Owner unless in the course of normal assigned duties.
- Sending unsolicited e-mail messages including junk mail, spam, or other advertising material to individuals who did not specifically request such material except in the execution of normal government information dissemination.
- Postings to newsgroups by personnel using a state e-mail address unless during business duties.
- Using state e-mail for personal or commercial ventures, religious or political causes, endorsement of candidates, or supporting non-government organizations.
- Sending or forwarding chain letters.
- Disguising or attempting to disguise your identity when sending e-mail.
- Sending e-mail messages using another person's e-mail account.
- Intercepting e-mail messages destined for others.
- Unauthorized use, forging, or attempting to forge e-mail header information or messages.

14.6.3 AUTO-FORWARDING STATE E-MAIL

To preclude inadvertent transmission of inappropriate information onto the Internet, auto-forwarding shall not be used to send state e-mail to an Internet e-mail address.

14.6.4 MASS E-MAIL

Material sent to group distribution lists must be relevant to the group being mailed and shall pertain to state business and/or serve the interests of state employees or constituents.

Message Content/Format

- Message format may be text, HTML, or RTF and should not include attachments.
- HTML or RTF format messages may contain artwork but shall be limited to a single page.
- Each message shall contain a signature block with the sender's name, department/division, office telephone number, and e-mail address.
- Sender is responsible for all replies, responses, and complaints.

Message Approval

- It is the responsibility of the sender/requestor of a mass e-mail to obtain the necessary approval from the person, group, or designated owner of the distribution list.
- Authority to use the “all-employees” distribution list rests with the Governor’s office.
- Approval authority for agency/organization-level groups (e.g., “Finance – All Users”) shall rest with the management presiding over that group.
- Message shall include a line indicating the state office that approved the mass e-mail.

Message Transmission

Mass electronic mailings shall only be transmitted in the evenings (after 5 PM).

List Owner Responsibilities

Owners of group distribution lists shall develop and monitor compliance with written operating procedures for the use of their lists. All list owners are encouraged to consider the benefits of moderating or otherwise controlling access to large lists. This applies whether a list has been created for one-time use or is maintained as a standing list.

14.7 INSTANT MESSAGING POLICIES

Instant Messaging (IM) is subject to many of the same threats as email (known security holes, information leaks, vulnerability to malware, etc.), and IM users are frequently the target of phishing attempts. For these reasons the following policies shall apply to all IM communications:

- IM shall be used only for business communications (it is not provided for personal use).
- IM shall not be used to communicate sensitive or confidential information.
- IM shall be limited to text messages only.
- IM is correspondence that creates a record that can be subpoenaed and used as evidence in litigation or regulatory investigations; therefore, IM correspondence shall be retained in accordance with applicable state data and record retention policies.
- IM content created, stored, transmitted, or received using state resources is the property of the state.

Nothing in this policy shall be construed to waive any claim of privilege or confidentiality of IM content. Only authorized state personnel may access, monitor, or disclose IM content for any business purpose or to satisfy legal obligations.

14.8 REMOVABLE STORAGE DEVICE POLICIES

Removable storage devices (USB Flash drives, PC Cards, FireWire devices, MP3 players, camcorders, digital cameras, etc.) have the same vulnerabilities as disk media (malware, data loss) but greater capacity, and could be used to infect an information system to which they are attached with malicious code, could be used to transport sensitive data leading to potential compromise of the data, and are frequently lost or stolen. Careful attention to the security of such devices is necessary to protect the data they may contain. For these reasons the following requirements apply to the use of removable storage devices:

- Removable storage devices shall be secured, marked, transported, and sanitized as required by state standards in the manner appropriate for the data category they contain.
- Removable storage devices shall, whenever possible, be formatted in a manner that allows the application of Access Controls to files or data stored on the device.
- Sensitive or confidential data shall not be stored on any removable storage device unless encrypted. For devices that do not support encryption of the storage media, sensitive and confidential data shall, as promptly as possible, be transferred to a device that does support the required encryption and access controls. In the interim, the device shall be securely stored apart from its storage media (whenever possible) and physical security must be assured.
- Virus-scan all portable storage media (diskettes, CDs, USB drives, etc.) before files residing on the media are transferred or accessed.
- Maintain physical security of removable storage devices. Report immediately the loss or theft of any device containing any state data to the Division of State Business Systems (SBS).
- User awareness training shall describe the risks and threats associated with the use of removable storage devices, the handling and labeling of these devices, and a discussion of the devices that contain persistent non-removable memory.

14.9 SOFTWARE LICENSING AND USE POLICIES

Under the provisions of U. S. copyright law, illegal reproduction of software can be subject to civil and criminal penalties including fines and imprisonment. Therefore, all system users must use only properly licensed software and must use that software in accordance with the terms and conditions of the license agreement.

IT users shall NOT:

- Copy, download, or install unlicensed software.
- Install personally-owned software onto state-managed computer systems.
- Install state-owned software on any non-state-owned computer systems, including home computers, unless specifically authorized in the software license agreement.

Division Directors shall:

- Ensure only software that is licensed to the Department is installed and used.
- Ensure software is installed and used in compliance with the license agreements.
- Routinely perform software audits for unauthorized software and license compliance.
- Remove any software found on state information systems for which a valid license or proof of license cannot be determined.

The term “software” includes the program, media, and licenses for all operating systems, utilities, services, and productivity tools whether freeware, shareware, open source, off-the-shelf, or custom-developed without regard to the system(s) on which it is installed (workstation, server, software as a service, etc.).

14.10 SOCIAL MEDIA POLICIES

Social media is defined as any internet-based resource that allows public interaction and sharing of pictures, videos, or other content. Some popular examples are Facebook, Twitter, LinkedIn,

Instagram, and You Tube. While these sites offer great opportunities for disseminating information, they also present challenges regarding maintaining a proper and professional image for both employees and the Department.

The following policies are established to address and minimize these risks and define the allowable and prohibited uses of social media technologies in the state IT environment.

14.10.1 SOCIAL MEDIA USE

Employees may utilize commercial social networking websites or integrate social media capabilities into state-hosted websites.

Management Responsibilities

- A. Conduct a formal assessment, with assistance from SBS, of the risk resulting from Departmental use of social media technologies.
- B. Assign appropriate personnel (Public Information Officer) to oversee the use of agency social media, evaluate and authorize agency requests for usage, and determine appropriateness of the content posted to social media sites.
- C. Understand that social media website contents are public records that must be retained and archived in accordance with applicable agency records disposition requirements.
- D. Obtain SBS approval before integrating social media capabilities on any websites hosted, developed, or administered by SBS.
- E. Periodically review social media usage to ensure it continues to reflect the agency's communication strategy and priorities.

Website Administrator Responsibilities

- A. Disable (if possible) any unnecessary functionality within social media websites or applications, such as instant messaging (IM) and file upload/exchange.
- B. Minimize or eliminating links to other websites, such as "friends", to minimize the risk of exposing a government user to a link that leads to inappropriate or unauthorized material.
- C. Suppress any commercial or third-party advertisements (sometimes present when using freeware versions of social media software or tools).
- D. Monitor (and filter as necessary) all social media website content posted and/or viewed.
- E. Prohibit/block file uploads to the maximum extent possible. Where file uploads are allowed, ensure all user-submitted files are automatically virus scanned.
- F. Include appropriate statements on state-hosted social media sites advising users of the public nature of the information they post.

User Responsibilities

- A. Social media may not be used for personal gain, conducting private commercial transactions, or engaging in private business activities.
- B. Understand that postings to social media websites immediately become part of a public record.
- C. Users shall not post or release proprietary, confidential, sensitive, personally identifiable information, or other state government Intellectual Property on social media sites.
- D. Users who connect to social media websites through state information assets, who speak officially on behalf of the Department or the state, or who may be perceived as speaking on behalf of the Department or the state, are subject to all Department and state requirements addressing prohibited or inappropriate behavior in the workplace, including acceptable use policies, user agreements, sexual harassment policies, etc.
- E. Users shall not speak in social media websites or other on-line forums on behalf of the Department, unless specifically authorized by the Finance Director or the agency's Public Information Officer. Users may not speak on behalf of the state unless specifically authorized by the governor.
- F. Users who are authorized to speak on behalf of the Department or state shall identify themselves by: 1) full name; 2) title; 3) agency; and 4) contact information, when posting or exchanging information on social media forums, and shall address issues only within the scope of their specific authorization.
- G. Users who are not authorized to speak on behalf of the Department or state shall clarify that the information is being presented on their own behalf and that it does not represent the position of the state or an agency.
- H. Users shall not utilize tools or techniques to spoof, masquerade, or assume any identity or credentials except for legitimate law enforcement purpose or for other legitimate state purposes.
- I. Users shall use different passwords for different accounts; do not use the same password for both a social media site and state network or e-mail accounts.

14.10.2 PERSONAL USE OF SOCIAL MEDIA SITES

Employees may use personal social media for limited family or personal communications during normal business hours so long as those communications do not interfere with their work. Employees and their managers are responsible for exercising good judgment regarding personal use.

Users shall not use their state e-mail account or password in conjunction with a personal social media site.

14.10.3 ADDITIONAL RECOMMENDED SECURITY MEASURES

For added security, all users of Facebook are encouraged to enable SSL activation in their Facebook account settings.

14.11 POLICY ENFORCEMENT

14.11.1 REPORTING

Users should report security-related issues and policy non-compliance to their immediate supervisor, manager, or the SBS Division Director.

14.11.2 NON-COMPLIANCE

Employee conduct or behavior while using any state-managed information system must comply with Departmental security policies. Violation can result in disciplinary action up to and including dismissal. Conduct or communications which violate state or federal laws will not only be grounds for immediate dismissal but may also subject the employee to criminal prosecution. Suspected violators of any laws, including copyright laws and FCC regulations, involving information services provided by the State of Alabama will be reported to the Finance Director and/or the Attorney General of Alabama for investigation and appropriate legal action. Some policy non-compliances may be punishable under Sections 13A-8-100 through 13A-8-103, *The Code of Alabama 1975*, Alabama Computer Crime Act. Such cases will be referred to the appropriate authorities. Other policy non-compliances by users shall be handled in accordance with the applicable disciplinary guidelines established by the Finance Department. SBS will determine on a case-by-case basis when policy non-compliance is sufficient grounds to deny the user access to information services.

HANDBOOK RECEIPT AND ACKNOWLEDGMENT

I have received a copy of the Alabama Department of Finance Employee Handbook and agree to read and familiarize myself with the contents of the manual, ask questions about any items I do not understand, and will follow it during my employment with Finance. I understand that my failure to adhere to and follow the policies and regulations contained therein and any subsequent revisions, additions, or amendments to said policies may result in adverse action on my employment status up to and including separation from state service.

Employee Name (Printed)

Employee Signature

Date