# KCU Employee Information Manual

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INTRODUCTION

The purpose of this Employee Information Manual (EIM) is to inform employees of Kitsap Credit Union (KCU) of their responsibilities to the organization and its members, and of KCU’s responsibilities to its employees and members.

The EIM contains policies and procedures governing the operation of KCU and is intended to assist employees in their daily activities. Nothing in the EIM is intended to create a contract of employment between any employee and KCU. The relationship between KCU and its employees is "at will", and thus, may be terminated by either KCU or the employee at any time and with or without cause. No representative of KCU, other than the President/CEO or Chief Operations Officer through a written contract, has any authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above statements.

KCU may modify, suspend, and/or terminate any or all of its policies and procedures without notice. Should any discrepancy exist on this copy of the EIM vs. the copy on the KCU Human Resources Intranet Page, the EIM that is located on the KCU Human Resources Intranet Page shall be considered the enforced version of this document.

KCU produces a web site for updated information on benefits. Please be aware not all employees are eligible for all benefits. Please use the Intranet to access the Human Resources page for the link.
MISSION, VISION, PURPOSE, AND VALUES

Mission
Members joining together, building a stronger community.

Vision
As a strong, growing, financial cooperative, we will be the premier provider of financial services in our greater Puget Sound communities.

Core Purpose
To build quality relationships, provide valuable financial assistance, and empower people to achieve more.

Core Values
- **Service:** We are deeply dedicated to providing our diverse membership, community and organization with the utmost in service.
- **Passion:** A deep, persistent drive to advance our organization and make a lasting impact by enriching the lives of others.
- **Contribution:** Our people dedicate themselves to active participation and adding value to the organization and our communities.
- **Opportunity:** Empower employees in every opportunity to make a positive, lasting difference.
- **Ethics:** We act with unwavering integrity, honesty and respect.
LEADERSHIP COMMITMENT FOR SUCCESS

Service-Oriented Team
   We recognize each team and individual has equal value to the organization. We are committed to providing a fun environment while working collaboratively together where everyone succeeds and service is unmatched.

Unwavering Member Loyalty
   We are committed to upholding the Mission, Vision, Core Purpose and Core Values through building quality relationships and providing the utmost in service to our members.

Continuous Learning
   We will support the personal and professional development of all individuals. We are committed to maintaining ongoing education as part of our culture.

Community and Family
   We will demonstrate good corporate citizenship and our community commitment while maintaining a positive work/life balance.

Exceptional Openness
   We will maintain the expectation of respectful feedback to all in support of an environment committed to building trust with integrity, honesty, and respect.

Supportive Leadership
   We will act responsibly and be accountable for our actions. We are committed to facilitating everyone’s success through coaching, open communication, and cooperation.

Safe Risk-Taking
   We will support creativity among employees. In an effort to grow, employees should be encouraged to step out of comfort zones without the fear of failure.
ACKNOWLEDGEMENT

I, __________________________, acknowledge access to Kitsap Credit Union’s (KCU’s) Employee Information Manual (EIM) through the Human Resources web page of KCU’s Intranet. I understand the obligation to read the EIM and understand that the policies and procedures in it apply to me. I also understand that KCU may make changes to the EIM, including its policies and procedures, rules and practices without official notice to me. I understand that changes to the EIM shall be posted on the Human Resources web page of the Intranet and that I will periodically, but no less than monthly, review that web page for any changes.

I understand and agree that nothing contained in the EIM, any employment application or any other of KCU’s policies, procedures, rules or practices shall be interpreted or construed as conferring employment for a specific term or as an employment contract. I am aware not all benefits are available to all employees. I further understand and agree that my employment is terminable at will. Both KCU and I each have the right to discontinue the employment relationship at any time and with or without cause. No representative of KCU, other than the President/CEO or Chief Operations Officer through a written contract, has any authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above statements.

I further understand that it is my responsibility to maintain familiarity with all information in the EIM. I also understand that I may and should ask any Executive Team member or manager/supervisor to clarify any information in the EIM that I do not understand.

In particular, I acknowledge that I will read and will follow the policies regarding the use of KCU’s communications systems and other technology resources of KCU. I am aware that violating any of the policies of KCU may subject me to disciplinary action, up to and including discharge from employment.

I understand there is a secure, anonymous, separate phone line to report suspected fraudulent activity by KCU employees. That number is 888-327-0128 or the web site is www.ethicspoint.com, which can be accessed from any computer with internet access.

I understand that KCU reserves and will exercise the right to review, audit, intercept, access, and disclose all matters on KCU’s communications systems at any time, including but not limited to employee e-mail, with or without employee notice. Such access may occur during or after working hours.

I acknowledge that the EIM supersedes all prior EIMs, policies, procedures and memoranda, and any oral or written statements that are contrary to the contents of this EIM.

Acknowledgement:

Name of Employee (Print) __________________________ Signature of Employee and Date __________________________
WELCOME

On behalf of the Board of Directors and Management, welcome to Kitsap Credit Union!

You are now a part of a long history of people helping people, which began in 1934. Seven individuals who were employed at Puget Sound Naval Shipyard saw a need to provide financial services to Shipyard employees and began the KCU with $34.00. Since that time, we have grown to over 90,000 members with 17 branches and nearly one billion dollars in assets. KCU is a full-service financial cooperative, meeting the financial needs of our members, while providing financial literacy and support to the underserved in our community.

We strive every day to meet our Service Pledge of “as we grow to provide the services members want – including better access to their money in more places – we will always provide the same friendly service our members appreciate.” I am delighted that you have decided to join us in this pledge to our members and to our community.

As a community leader, Kitsap Credit Union stands out as an organization committed to the success of others in our community. We believe this commitment must start with our employees, focusing on the development, retention and respect of our greatest asset, our human resource. We also share the same core values in our everyday interaction with our members and with each other. Our core values are:

**Service**: We are deeply dedicated to providing our diverse membership, community and organization with the utmost in service;

**Passion**: A deep, persistent drive to advance our organization and make a lasting impact by enriching the lives of others;

**Contribution**: Our people dedicate themselves to active participation and adding value to the organization and our communities;

**Opportunity**: We empower our employees in every opportunity to make a positive, lasting difference; and

**Ethics**: We act with unwavering integrity, honesty, and respect.

Again, I welcome you to Kitsap Credit Union and look forward to working with you to meet these commitments to our members.

Warmest regards,

Elliot E. Gregg
President/CEO
MEMBERSHIP SERVICES, POLICIES, AND PROCEDURES

CONFIDENTIAL MATTERS

KCU’s business involves highly-sensitive information which shall be kept confidential. Absolute confidentiality regarding our members’ accounts is to be maintained. Confidentiality regarding member lists, internal procedures, and transactions shall also be maintained. KCU business shall not be discussed with persons having no legitimate interest in that business. Employees shall be certain of the identity of the person to whom information is given, whether in person, over the phone, or in correspondence. Employees are expected to be knowledgeable about KCU’s classifications of Public/Non-Public Information and the applicable controls. Please refer to KCU’s Member Information Security Program for definitions of Public/Non-Public Information and expectations related to the control, provision, and destruction of information.

No employee shall act as a spokesperson for KCU to the media without prior approval of the President/CEO. Employees are subject to appropriate disciplinary action, up to and including termination, for revealing confidential information.

VISITORS

Visitors shall not be permitted in any department or branch (other than the lobby area) of KCU without permission from the supervisor/manager of the department or branch. All visitors shall be signed in on the Visitor/Vendor Log, and any unescorted visitors shall be required to wear a KCU Visitor Badge. KCU employees shall be responsible for the collection and return of KCU Visitor Badges. Visitors shall not be permitted to visit with employees during their breaks and/or lunches in non-public areas where member information is stored, posted, or could be overheard. Visits during employee break and/or lunch periods may take place in employee break/lunch rooms that are separate from a non-public area or with prior management approval. Visitors shall be in non-public areas during pre-approved Human Resources events, i.e. bring Your Child to Work Day. Former employees are considered visitors and shall be escorted through any KCU facility.

CODE OF CONDUCT AND ETHICS

Professional Conduct

The following principles are designed to define behaviors and actions of each employee when representing the credit union. In support of the mission and values of KCU, each employee shall ensure that the highest ethical standards are exhibited when conducting credit union business. The conduct and relationships, both inside and outside the credit union workplace, shall not subject the credit union to undue criticism. Every employee shall be responsible for the following standards as set forth below.

Every employee shall:

- Maintain the highest standard of personal and business honesty, integrity, impartiality, and conduct.
• Building and maintaining the credit union’s good name and reputation, acting in a manner that reflects favorably on the credit union. This includes taking steps to avoid non-sufficient funds in personal accounts.
• Perform the duties and responsibilities of his/her position and continually seek and utilize more efficient and economical ways of performing job duties.
• Protect the reputation of the credit union by reporting illegal or unethical activities through appropriate channels provided by credit union management through the credit union’s EthicsPoint reporting system.
• Ensure that all services are rendered in a manner that promotes the favorable image of the credit union.
• Avoid potential conflicts of interest and not use their position for personal gain.
• Recognize that the interests of the credit union and its members have priority over any personal interests.
• Promote the integrity, reputation, and effective administration of all credit union affairs.

Compliance with Laws and Regulations
Employees shall comply with all laws and regulations affecting the credit union including:
• Criminal statutes as they relate to financial institutions.
• All statues requiring disclosure. Employees shall report to the credit union, in writing, any violation of the law or this policy by any person.
• All rules, bylaws, and regulations required by federal law and the National Credit Union Administration (NCUA).
• Employees shall report to the credit union, in writing or through KCU’s secure and confidential phone line, any violation of this policy by any person

Gifts and Favors
Employees of KCU shall be aware of the Federal Bribery Act, which states:
Whoever, as an officer, director, employee, agent or attorney of a financial institution, corruptly solicits or demands for the benefit of any person, or corruptly accepts or agrees to accept, anything of value from any person, intending to be influenced or rewarded in connection with any business or transactions of such institution (KCU), shall be guilty of an offense.

Employees may receive and keep personal gifts valued at $50 or less in connection with KCU activities. If the value of the item is greater than $50, it shall be reported to the Human Resources Manager to determine if the gift may be retained or returned.

Employees shall notify their manager/supervisor prior to accepting any offered gift or favor.

Member Legal Advice
Members may occasionally ask employees to comment on the legal effect of a particular transaction. KCU cannot practice law or give legal advice. Employees shall consult with a supervisor/manager regarding the appropriate response to these questions and/or submit an Incident Notification Form in the event the member’s actions may impact the credit union’s reputation and/or safety of its employees.
Employee Account Restrictions

KCU employees are restricted from processing transactions on the following accounts:

- Employee’s own account;
- Immediate family members’ accounts; and
- Household member’s accounts.

Dealings with Members and Other Employees

No employee shall profit from the sale of insurance or any other services or products to members of KCU. This does not include commission sales. Employees shall not give employment references to other employees or ex-employees on behalf of KCU without prior Human Resources approval. All references for work or employment verification shall be completed by Human Resources. KCU believes in an open door policy.

Reporting Suspicious or Improper Financial Activity

An employee who becomes aware of or suspects improper activity by another employee, member, or KCU vendor is required to advise management. Improper activity includes violation of established KCU policy or activity that could indicate wrongful financial or fraudulent activity that may cause harm or financial loss to KCU, employees, or members. KCU has a third-party hosted phone number and web site that is secure and anonymous for reporting such activity. The number is 888-327-0128 or the web site is www.ethicspoint.com, which can be accessed from any computer with internet access.

Whistleblower

A whistleblower, as defined by this policy, is an employee of KCU who reports to one or more of the parties specified in this policy an activity that he/she considers illegal or dishonest. The whistleblower shall not be responsible for investigating the activity or for determining fault or corrective measures. Appropriate management officials are charged with these responsibilities.

Examples of illegal or dishonest activities include, but are not limited to, violations of federal, state, or local laws, billing for services not performed, for goods not delivered, and other fraudulent financial report.

If an employee has knowledge or a concern of illegal or fraudulent activity, the employee shall contact his/her immediate supervisor, Human Resources, the Chief Operations Officer, or make his/her statement through EthicsPoint. The employee shall exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing shall be subject to disciplinary action up to and including termination.

Whistleblower protections are provided in two important areas – confidentiality and against retaliation. When feasible, the confidentiality of the whistleblower shall be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law, and to provide accused individuals their legal right of defense. KCU shall not retaliate against a whistleblower. This
includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, poor work assignments, and threats of physical harm.

Any whistleblower who believes he/she is being retaliated against shall contact Human Resources, the Chief Operating Officer, or President/CEO immediately.

The right of a whistleblower for protection against retaliation shall not include immunity for any personal wrongdoing that is alleged and investigated.

All reports of illegal and dishonest activities shall be promptly reported.

Employees with any questions regarding this policy shall contact the Human Resources Manager.
EMPLOYMENT POLICIES AND PROCEDURES

EMPLOYEE CLASSIFICATIONS

Regular Full-Time
Regular full-time employees are those who normally work 37 hours or greater per week. Employees in this classification are generally eligible for standard employee benefits, subject to applicable waiting periods. Please be aware that not all employees are eligible for all benefits unless otherwise provided by law.

Regular Part-Time
Regular part-time employees are those scheduled to work at least 20 hours per week, but fewer than 37 hours per week. These individuals are generally eligible for standard employee benefits and accrue vacation and sick leave benefits on a pro-rata basis. Please be aware that not all part-time employees are eligible for all benefits unless otherwise provided by law.

Special Part-Time
Special part-time employees are limited to working under 1,000 hours annually. Special part-time employees are not eligible to receive benefits, including the 401(k) plan, unless otherwise provided by law.

Temporary
Temporary employees are hired for a task or project expected to be completed within a specified time frame. Temporary employees may work any number of hours. Temporary employees are not eligible to receive benefits, unless otherwise provided by law.

A temporary employee who becomes a regular employee, with or without a break in service, will be eligible for benefits on the same basis as a newly hired regular employee, with applicable waiting periods starting from the date of regular employment.

OPEN DOOR POLICY

KCU believes in an open door policy.

Should an employee have a problem, he/she shall discuss it with his/her immediate supervisor/manager. In most cases, an open discussion with the supervisor/manager is usually the easiest and most effective way to deal with the problem. If the matter is still not resolved or is of such a nature that the employee prefers not to discuss it with an immediate supervisor/manager, the employee is encouraged to discuss the issue with a member of Human Resources, the Senior Executive Team or the President/CEO.
RECRUITMENT AND SELECTION

KCU’s policy is to recruit and employ the most qualified persons and to place them, in accordance with their qualifications, in positions which make full use of their abilities.

Internal Job Opportunities
The internal job posting process provides a benefit to employees and KCU by providing qualified employees with opportunities to develop their full potential through advancement, career growth, and broadening of experience.

Unless necessary due to restructuring or management needs, vacancies are posted internally to provide the opportunity for employees to apply.

Management decisions on placement and selection shall be made in the best interest of KCU based on organizational need. Internal job applications are reviewed and screened using the same criteria as external applications. Applicants who do not meet the minimum requirement of the job shall not be interviewed. Employees who are under a warning status shall not be considered for a job change for 6 months in most instances.

Employees who choose to move to a new position or location in the same pay grade shall normally not see an increase in pay. Their annual review date shall change to reflect the move. Any variance to this practice shall be pre-approved by the Senior Vice President of that department.

An employee shall submit an internal application provided they have been in their current location for a minimum of 6 months. The 6-month criterion does not apply to promotions within the same branch or department.

PERFORMANCE REVIEWS AND DISCIPLINARY ACTION PROCEDURES

Performance Reviews
Each new hourly employee begins employment with an initial training period of 4 months. Reviews are normally given at 120 days. Performance shall be reviewed again on the employee’s one-year anniversary and annually thereafter.

Each new salaried employee begins employment with an initial training period of 4 months. Reviews are normally given at 120 days. Performance shall be reviewed again on the employee’s one-year anniversary and annually thereafter on February 15.

If an employee changes positions, the same review periods apply. If an employee changes position or location, KCU reserves the right to require an additional training period. KCU reserves the right to conduct performance reviews at any time.
The supervisor/manager shall meet with the employee during each review period. A performance plan to accomplish goals set during the performance review is defined and developed. The most obvious objectives of the performance review are to rate results achieved, as well as to improve performance by means of effective communication between the employee and supervisor. Another purpose of performance reviews is to enhance understanding between the employee and immediate supervisor/manager. Performance reviews are a primary consideration in determining salary increases and may be used in selecting employees for promotion/transfer. Employees are asked to request their review if not received timely.

**Personnel Files**

Individual personnel files contain records of employment. These records are kept current and confidential in the Human Resources Department.

The file is available only to the employee, the immediate supervisor/manager, and other supervisory and administrative personnel on an as-required basis.

The employee may review all materials in the personnel file. If an employee wants to review his/her file, a request shall be made to Human Resources. Arrangements for an appointment for the employee to review his/her file shall be made.

The employee shall be responsible for keeping Human Resources apprised of correct name, address, phone number, dependents, personal accomplishments, education, and account numbers of KCU accounts on which they are a signor.

**Disciplinary Action Procedures**

Employment is for an unspecified period and is at-will. The employee or KCU can terminate the employment relationship at any time with or without cause or advance notice. Without waiving or compromising this fundamental relationship between KCU and its employees, KCU’s policy is to discipline employees whenever justified by the circumstances.

Each circumstance and the employee’s overall work record normally is considered before deciding on a course of disciplinary action. Appropriate disciplinary action shall include verbal or written counseling, suspension, or discharge depending on the individual situation, including but not limited to the employee’s tenure with KCU, overall job performance and the nature of the issue involved. KCU shall, at its sole discretion, discipline an employee without advance notice or prior discipline as circumstances may warrant.

**Termination of Employment**

**Voluntary Termination**

Non-supervisory employees who voluntarily terminate their employment shall give their supervisor/manager at least 2 weeks' written notice prior to resignation. Supervisory employees shall give at least 1 month’s written notice. This notification shall then be processed through Human
Resources. Employees who are absent from work without notice or adequate explanation for 1 day (or fail to return to work at the end of an approved leave of absence without adequate explanation) shall be considered to have voluntarily terminated their employment.

Involuntary Termination
Although KCU aims to foster a spirit of cooperation and teamwork, it also intends to reserve the legal right to terminate employment at will. Employment at KCU may be terminated by KCU at any time and without the need for justification. Employees may be involuntarily separated as a result of their own actions, performance or conduct. Reduction in work force/layoff is an involuntary separation initiated by the organization. Events that may produce a layoff include adverse economic conditions requiring curtailment of employment, reorganization plans that might necessitate the elimination or combination of positions or a determination that a position is no longer needed.

Exit Interviews
Employees leaving KCU shall be provided an opportunity to have an exit interview with Human Resources to afford an opportunity to discuss reasons for leaving. Exit Interview Questionnaires are also provided and the feedback shall be shared with the appropriate managers and executive team member for their review. Upon termination of employment, the employee shall not take any of KCU’s papers, documents, or other records of any kind, including electronic records.

ANTI-DISCRIMINATION

Equal Employment Policy
KCU is an Equal Opportunity Employer. KCU’s EOE policy provides the opportunity to obtain and hold employment without discrimination based on: race; religion; national origin; genetic information; the presence of any sensory, mental or physical disability (unless based upon a bona fide occupational qualification); marital status; gender; sexual orientation; gender identity; age; military status; or the use of a trained guide dog or service animal by a disabled person or any other basis prohibited by federal, state, or local law.

This policy shall apply to all personnel actions including recruitment, selection, promotion, compensation, benefits, training, reorganization, transfers, and reductions in force, discipline and termination.

EMPLOYMENT OF FAMILY MEMBERS

KCU may hire family members of current employees. The new employee shall work in an entirely different department, have no direct reporting relationship, and create no real or apparent conflict of interest or potentially adverse work situation.

For purposes of this policy, "family" is defined as: spouse, children, step-children, parents, brothers, sisters, step-brothers, step-sisters, step-parents, grandchildren, grandparents, dependents, and in-laws, as well as all relatives who live in the employee's household. "Family" also includes significant others as
well as unmarried domestic partners. KCU recognizes the sensitive nature of having family members and domestic partners employed and shall take care to avoid difficult situations.

To avoid the reality or perception of improper influence or favor and to protect and maintain confidentiality, the employment of relatives of the President/CEO, Senior Executive Team, Human Resources Department, Board of Directors, and the Supervisory Committee Members are strictly prohibited.

KCU shall not give preference to the employment of relatives, significant others, or domestic partners of current employees. Prospective employees shall meet all selection standards and fulfill all job qualifications to be consistent with KCU’s equal employment opportunity policies and practices.

If two employees become related or otherwise become subject to this policy’s restrictions after hire, KCU shall first request that the affected employees decide which one of them shall accept a transfer. If the two cannot decide on a transfer, KCU may reassign or transfer one of the individuals at its discretion. Management retains the right to approve all employee transfers and reassignments.

**ANTI-HARASSMENT**

KCU is committed to protecting the rights and dignity of each employee. A vital element of this commitment is KCU’s effort to provide a working environment free from any type of unlawful work-related harassment. Harassment of employees by co-workers, KCU members, and/or vendors can be a form of unlawful behavior and is not permitted regardless of the working relationship. Specifically prohibited is harassment based on race; religion; national origin; genetic information; the presence of any sensory, mental or physical disability; marital status; gender; sexual orientation; gender identity; age; military status; or the use of a trained guide dog or service animal by a disabled person or any other basis prohibited by federal, state or local law.

Harassment may include, but is not limited to, display or circulation of materials printed, visual or electronic; derogatory unsolicited gestures, remarks, or physical contact; or basing personnel decisions on an employee’s response to requests of a sexual nature. Harassment also includes conduct that creates an intimidating, hostile, or offensive working environment and that is directed at a person because of that person’s race, color, national origin, gender, religion, disability, or other legally protected factor.

**Sexual Harassment**

It is specifically forbidden for any employee, male or female, to harass another employee by:

- Making unwelcome sexual advances or requests for sexual favors, or other verbal or physical conduct of a sexual nature, a condition of an employee’s continued employment;
- Making submission to or rejection of such conduct the basis for employment decisions affecting the employee; or
- Creating an intimidating, hostile, or offensive working environment by such conduct.

Any employee or applicant who feels that he or she has been the subject of harassment of any kind shall report the alleged act to the Human Resources Manager. If the Human Resources Manager is the cause
of the problem or he/she seems unwilling to resolve the issue, then the employee shall contact a Senior Executive Team member. Another reporting option is to utilize KCU’s third party posted phone number and website that is secure and anonymous for reporting such activity. That number is 888-327-0128 or the web site is www.ethicspoint.com, which can be accessed from any computer with internet access.

An investigation of any complaint shall be undertaken promptly in as confidential a manner as possible. There shall be no reprisals taken against an employee or applicant for making a complaint. The question whether a particular action or incident is prohibited behavior or purely a personal, social relationship without any discriminatory employment effect requires a determination based on all the available facts in the matter. In all cases, the employee shall be advised of the findings and conclusions.

Any employee who receives a complaint of harassment is obligated to inform the Human Resources Manager immediately.

Any supervisor or other employee who is found, after appropriate investigation, to have engaged in harassment of another employee or applicant shall be subject to appropriate discipline, depending upon the circumstances, from a warning in his or her file, up to and including termination.

**CHALLENGING CONDITIONS**

KCU’s policy is to employ, advance in employment, and otherwise treat qualified individuals without regard to the presence of sensory, mental, or physical challenge.

KCU shall afford reasonable accommodation to qualified applicants and employees with a known disability, provided that the accommodation shall not cause undue hardship to KCU and, irrespective of the accommodation, no direct threat to health and safety is posed.

Applicants and employees with a disability shall inform Human Resources or their supervisor/manager and may suggest to Human Resources on a confidential basis if desired, how KCU may make a reasonable accommodation.

**DRUG & ALCOHOL FREE WORKPLACE**

KCU believes in and is committed to providing a safe work environment that is free from the harmful effects of substance abuse. The use, possession, manufacture, sale, distribution, or being under the influence of illegal drugs pursuant to state or federal law, or alcohol while on KCU property, while performing company business in any location, or in a company vehicle is prohibited. Although medical and limited, private recreational use of marijuana is legal in Washington State, the substance is still unlawful under federal law, and KCU has a responsibility to maintain a safe working environment. Employees shall be subject to disciplinary action up to and including discharge if they participate in any such activities on or off KCU premises.

Employees taking prescription drugs that, according to their physician or pharmacist, might affect their ability to perform their duties in a safe and effective manner shall advise their supervisor or Human
Resources of any restrictions or impairments caused by the prescription drug. KCU shall make all reasonable efforts to accommodate the condition.

Use of alcohol or any unauthorized drug or controlled substance, including marijuana, in any circumstance that adversely affects KCU operations, employee job performance, safety, or corporate image is prohibited during regular business hours.

If an employee appears to be under any influence of drugs or alcohol, KCU shall require the employee to submit to appropriate tests, including urinalysis or breath tests, to confirm the existence of such alcohol or prohibited drug or substance in his or her system. Refusal to take a drug or alcohol test or testing positive on a drug or alcohol test shall subject you to disciplinary action up to and including discharge.

Employees with questions or concerns about possible drug or alcohol problems are encouraged to use the resources of the Employee Assistance Program for information on treatment and rehabilitation. Such information shall be provided to employees in a confidential manner.

**PROFESSIONAL APPEARANCE POLICY**

The professional appearance of all employees is important to maintain the confidence of the membership and to support the image of KCU in the public eye. This policy outlines attire and image expectations for all employees. Employees that have religious or medical requests for accommodations applicable to this policy are encouraged to contact Human Resources. The definition of “Professional” shall be left up to the individual manager and/or Human Resources.

All aspects of grooming and dress shall be conservative and tasteful. KCU’s appearance and grooming standard shall be consistent with a more conservative financial institution image and shall not unnecessarily draw individual attention. Extreme styles of appearance are not acceptable. (Examples: Multi-colored hair, extreme hairstyles, excessive jewelry, inappropriate clothing, etc.)

When in the work environment, employees shall present themselves in a conservative fashion when it comes to the use of make-up, jewelry, dress, fragrances, and hairstyles.

Employees that are identified as being outside the guidelines of this policy may be sent home without pay. Employees who intentionally or repeatedly violate the guidelines of this policy are subject to disciplinary action up to and including termination of employment.

**General Guidelines:**

- All clothing shall be neat, clean, pressed, and in good repair.
- All clothing shall be appropriate to body type and cover midriff and back to avoid unprofessional appearance during the performance of duties.
- Clothing that is tight/form fitting or excessively baggy is unacceptable.
- Leggings are not allowed.
- Any garments that would be viewed as “eveningwear” (excessive sequins, rhinestones, etc.) are unacceptable.
- Appropriate undergarments are required.
Appropriate hosiery (socks, nylons) is required unless summer dress code is in place.
Low-cut, revealing, or suggestive attire is unacceptable.
Logo wear clothing is limited to KCU attire only.
No jeans or denim apparel are allowed with the exception of a pre-approved KCU-wide sponsored event or KCU Corporate shirt. Human Resources shall send out notification of these events, along with guidelines for attire.
Capri or Capri-type pants shall fall at mid-calf.
Casual sandals, flip-flops, or tennis shoes are not allowed. Dress sandals with heel for women are acceptable.
Pants shall fit just below waist or higher. Low cut pants/hip hugger styles are not allowed.
Dockers/Casual pants with pocket “flaps” or pockets stitched on the outside of pants are not acceptable.
Corduroy slacks/pants are permitted and shall meet acceptable slacks/pants guidelines.
Body piercing or tattoos that are visible are unacceptable.
Earrings are limited to two piercing per ear, and may not be larger than a quarter.
Earring hole expanders/plugs are not allowed.

Specific Guidelines:

Business or pants suits:

- Dress slacks, Dockers/casual pants, button up dress shirt, polo shirt, and/or sweater. Jacket and tie are optional. Coordinating shoes.
- Dresses, dress slacks, Dockers/casual pants or skirts with a blouse or sweater. Blazer or jacket is optional. Coordinating shoes.
- Hemlines shall be no shorter than two (2) inches above the knee. Sweaters/jackets shall come to waist or below.
- Tank or spaghetti string tops are not allowed without blazer or sweater being worn over them at all times.
- Solid tees may be worn under jackets or blazers only.
- Summer Attire (May – August). Sleeveless blouses (not tank tops) extending to end of shoulder may be worn. Nylons are optional during these months only.

What is the difference between pants and slacks? Pants are more casual in look and feel, frequently made of a cotton or cotton blend. Slacks have a more tailored and dressy appearance, usually lighter weight material, pressed and creased.

KCU Corporate Wear

Corporate Wear includes clothing that has “KCU” printed on it. Clothing that has other credit unions’ logos shall not be allowed.
Saturday Attire

Branches or departments that are open on Saturday may wear jeans with casual shoes and shall be worn with a corporate shirt. Appropriate jeans shall be of one denim color and fit correctly, with no tears or “wear” marks. Tennis shoes of any kind are not allowed.

Team Spirit

Throughout the year, KCU shall participate in special promotional events and various charitable events. On these occasions, Human Resources shall send out an announcement to all employees with particulars for the event depending on the promotion (Fair, Hawaiian Days, etc.). Team spirit or Jeans for Charity shall be organization-wide and pre-approved by Human Resources.

KCU is a major sponsor ($2,000 or more) for several community events. Situations may arise where variance to the dress code policy is allowed to support KCU’s involvement. These exceptions shall be coordinated through the VP of Marketing and Human Resources.

Jeans for Charity Days

KCU supports various charities. Pre-approved fundraising for charity events shall be done by allowing employees to “purchase” the opportunity to wear jeans. Prior approval by Human Resources is required.

Pre-approved Jeans for Charity Days:
- Jeans for Babies – Spring (Week of walk)
- Relay for Life – Summer (One week to represent all community walks)
- Lee Denim Days – Fall (One week)
EMPLOYEE FINANCES AND TRANSACTIONS

While personal finances are generally private matters, KCU considers proper management by employees of their personal finances to be very important. All employees shall establish and maintain financial integrity as individuals.

EMPLOYEE NON-SUFFICIENT FUNDS (NSF)

A procedural guideline has been established to monitor and control incidents of employee NSFs. This procedure is based on the number of occurrences during any calendar year and not the number of NSFs received. If an account receives 5 NSF occurrences, it may be closed prior to the 6th incident in conjunction with the Checking Policy. Use of Courtesy Pay does not constitute an NSF occurrence.

**First Incident:** The Manager/Supervisor shall discuss the incident with the employee and provide the employee a copy of the procedural guideline for handling employee NSFs.

**Second Incident:** The Manager/Supervisor shall discuss the incident with the employee and provide solutions for preventing further incidents. Examples are overdraft protections or overdraft lines of credit and the Balance Program.

**Third Incident:** The Manager/Supervisor shall discuss the incident with the employee and shall encourage them to attend a share draft balancing class.

**Fourth Incident:** The Manager/Supervisor shall counsel the employee and require the employee to sign a statement acknowledging awareness of the procedures followed in the event of the 5th and 6th incident.

**Fifth Incident:** The Manager/Supervisor shall encourage the employee to close their checking account. If the employee refuses to close the account, the employee shall sign a statement acknowledging the procedures followed in the event of the sixth incident.

**Sixth Incident:** Termination of employment.

Upon approval by the Chief Operating Officer or the President/CEO, employees may be allowed to open another checking account after a reasonable waiting period has lapsed. Any future accounts shall be opened under account opening requirements and procedures in place at that time.

PERSONAL BORROWING

Personal borrowing between employees, between employees and members, unless the member is an authorized lender, is strongly discouraged.
**Direct Deposit/Employee Accounts**

Employees may have a KCU account and may order checks free of charge for that account. There is a small fee for postage and handling. Employees are encouraged to use Bill Pay free of charge. Employee share and checking accounts are paid the declared dividend rates paid to all member accounts.

**Personal Transactions**

Employees may handle their personal transactions at KCU before it opens or leave their transaction with a teller to be picked up later in the day. If this is not possible, the employee shall stand in line with the members on their own time. Employees shall follow the ‘member path’ when conducting personal transactions. Employees shall not ask a teller to help them in advance of a member. Employees are prohibited from performing transactions outside regular duties (i.e., back office performing transactions normally done at the teller line). Employees are encouraged to use CU@home and Bill Pay to manage their finances.

**Credit Reports**

Employees may not draw their own credit bureau report. If the employee applies for a KCU loan, the individual processing the loan may run a credit report. KCU may use consumer reports when selecting qualified personnel to fill vacancies and for other reasons related to their employment. These reports shall be obtained only after KCU clearly and conspicuously discloses in writing to the candidate/employee and the candidate/employee has authorized KCU, also in writing, to proceed with the request.

In the event adverse action is taken based on information obtained in the report, KCU shall disclose this fact to the applicant, provide a copy of the report, and provide a written description of the applicant’s rights under the Fair Credit Reporting Act.
GENERAL WORKPLACE POLICIES AND PROCEDURES

HOURS

The most common schedule for regular full-time employees is 40 hours per week; the work week runs Sunday through Saturday.

Starting times, lunch periods, and breaks are established by the employee’s supervisor/manager.

All breaks and lunches shall take place away from workstations. Meal periods of at least 30 minutes shall commence no less than 2 hours or more than 5 hours after the beginning of each shift.

Each employee is responsible for recording all hours worked on his or her electronic time card, which is the record upon which the payroll is processed. All time worked shall be recorded.

OVERTIME

While KCU tries to schedule work so it can be completed within a 40 hour week, the volume of work occasionally requires overtime. Non-exempt employees are compensated at the rate of 1.5 times their regular rate of pay for all hours worked over 40 hours in the work week. The work week begins Sunday at 12:01 AM and extends the following 7 days. Overtime for eligible employees is only paid on actual hours worked in any work week. Paid holiday, sick, or vacation hours are not considered “hours worked.”

The immediate supervisor/manager shall pre-authorize any and all overtime before it is worked.

All time worked shall be submitted on a time card.

ATTENDANCE

Arriving and leaving work on time is essential to maintaining the high quality of service KCU provides and is respectful of co-workers who shall assume others’ duties during absences. Each employee is responsible for reporting to work regularly and on time. Any employee arriving at his or her desk after his or her designated starting time is considered late. Any employee leaving prior to his or her designated ending time is also in violation of this policy. Employees are expected to remain at their desk or work area during the workday. If a situation causes the employee to leave the premises, except for regularly scheduled lunch periods, the supervisor/manager shall be advised before departing. If unable to report to work, the employee shall notify his/her supervisor/manager within at least 2 hours of the beginning of the shift on the first day of absence. The supervisor/manager may or may not accept voice mail, text, or e-mail as acceptable notification. Please verify notification preference with the supervisor/manager. When an absence extends beyond 1 day, the employee shall notify the supervisor/manager daily until returned to work unless other arrangements have been made with him or her. A doctor's statement may be required if sick leave use extends beyond 3 days. The supervisor/manager may require a doctor's statement for shorter sick leave absences.
LUNCH ROOM FACILITIES

Most KCU branches have an employee lounge/kitchen area. Employees are responsible for cleaning up after themselves. Kitchen responsibilities consist of keeping the kitchen area clean, including washing dishes at the end of each day and checking the refrigerator at the end of the week for any items which need to be discarded.

WORK AREAS

Each employee has an obligation to help keep shelves, work areas, desks (inside and out), equipment, lounge areas, washrooms, and other areas safe, clean, orderly, and professional looking.

KEY SAFEKEEPING GUIDELINES

Certain employees are required to have a key(s) to a KCU facility. These employees shall sign a Key Acknowledgment Statement accepting responsibility for these keys.

To ensure the security and safekeeping of the keys, all key holders are required to follow the guidelines established below:

- Do not keep keys on a KCU or other identifying key ring;
- Do not keep keys on a ring with personal car/home keys;
- Do not allow anyone to borrow keys other than authorized KCU personnel. For a current authorized list, check with the Risk Manager;
- Do not disclose the access area of keys to anyone other than authorized KCU personnel. For a current authorized list, check with the Risk Manager; and
- Do not transfer ownership of keys upon termination or transfer of employment. If keys have been lost or stolen, the employee shall report the situation immediately to the Risk Manager. If employment is terminated, the keys shall be returned to Human Resources.

CLOSURE FOR SEVERE WEATHER

KCU generally does not close because of severe weather conditions. The President/CEO may, however, make a determination as to whether KCU or a particular branch shall be open for business. Contact the SHAPE line number (360) 662-2055 for information.

SMOKING/TOBACCO

KCU is committed to providing a healthy, comfortable, and tobacco-free work environment for all employees. This policy complies with the Washington State Clean Indoor Air Act, which prohibits smoking within 25 feet of a building, entrance or exit, open windows or air intake equipment. Use of tobacco products is not permitted in any KCU facility, branch or vehicle. The use of E-cigarettes is also prohibited by this policy.
COMPANY VEHICLES

KCU company vehicles are available to use for business purposes by employees who are qualified and authorized by their manager for such use. To qualify, a valid driver's license and a clean driving record are required.

An employee authorized to use a company vehicle is expected to obey all traffic laws. An employee receiving a traffic violation is personally responsible for satisfying any fine or penalty. If an employee is involved in an accident, an Incident Report Form shall be completed and sent to the Risk Management Department. Vehicles are to be returned clean and ready for next use. There is no smoking or tobacco use permitted in any company vehicle.

Cell phones (whether company-provided or personal) may not be used without a hands-free device. Reading, typing, accessing the internet, or sending a text message, while driving, is strictly prohibited.

Regular drivers of company vehicles shall have their Motor Vehicle Records (MVR) reviewed when initially hired and authorized and annually thereafter. Marginal drivers shall be counselled and their MVR reviewed semi-annually.

- A Regular Driver is defined by KCU as someone who has been approved to be on the Schedule of Drivers provided to KCU’s insurance broker.
- Marginal driving is defined by KCU as "Any combination of three or more moving violations, "At Fault Accidents" or "Preventable Accidents" within the most recent three years."

In the event that an MVR search results in the discovery of any of the following violations, permission to use company vehicles shall be revoked:

- Conviction for an alcohol and/or drug-related driving offense
- Refusal to submit to a Blood Alcohol Content (BAC) test
- Conviction for reckless driving
- Suspension, revocation or administrative restriction within the last three years
- Leaving the scene of an accident as defined by state laws
- At fault in a fatal accident
- Felony committed involving a vehicle
- Three or more "Company Vehicle" physical damage claims in any 12-month period

Any violation of this policy or any misrepresentation of eligibility may result in disciplinary action, up to and including termination of employment.

MILEAGE REIMBURSEMENT

When possible, employees are required to carpool or use a KCU vehicle. In some circumstances, employees may use their personal vehicles during the course of the regular business day to perform
duties for KCU. KCU may reimburse employees at the prevailing IRS rate when use of their private vehicle is required, reimbursable requirements are met, and travel is approved by their supervisor. It is the supervisor’s responsibility to ensure that all approved mileage reimbursements meet the requirements noted in this Policy.

Employees who use personal vehicles during the workday for KCU business shall have a current driver’s license and insurance. Employees are responsible to notify their supervisor if they have not met either of these requirements.

In case of an accident while on KCU business, an Incident Notification Form shall be filed by the employee, regardless of the extent of damage to the vehicle and whether a KCU or personal vehicle. The Incident Notification Form shall be completed and submitted to the employee’s supervisor/manager within 24 hours. Any tickets/fines incurred while on KCU business shall be paid by the employee.

Qualifying Mileage
If the employee is an hourly branch employee and is required to temporarily work at another location, mileage shall be reimbursed for miles traveled less normal commute mileage. (Miles traveled in excess of normal commute mileage shall be reimbursed.)

- If an employee starts and ends their day at their usual work location and are attending required partial-day conferences, seminars, trainings, and meetings, mileage shall be reimbursed for actual miles traveled.
- If an employee starts or ends their day at their usual work location and are attending required partial-day conferences, seminars, trainings, and meetings, mileage shall be reimbursed for actual miles traveled less normal commute mileage. (Miles traveled in excess of normal commute mileage shall be reimbursed.)
- If an employee travels for business-related purposes, such as foreclosed property site visits, evaluation of commercial properties, to/from financial education classes, the employee shall be reimbursed for miles traveled.

Reimbursement Process
- Employees shall utilize the Mileage Chart found on the Human Resources MyKCU page for travel between KCU sites.
- Employees shall complete an Employee Expense Reimbursement Form within 30 days of completion of travel. Failure to meet this deadline may result in non-reimbursement. Non-KCU sponsored conferences, seminars, or trainings require a copy of the registration, in addition to documentation to substantiate miles traveled (e.g., MapQuest, Google Maps). Submit completed Employee Expense Reimbursement forms to acctpay@kitsapcu.org.
COMMUNICATIONS SYSTEMS POLICIES AND PROCEDURES

GENERAL POLICY STATEMENT ON THE USE OF COMMUNICATIONS SYSTEMS

The primary purpose of KCU’s communications systems is to facilitate the timely and efficient conduct of KCU’s business. The systems include, but are not limited to, office phones, voice mail, KCU letterhead and supplies, photocopying, facsimiles, postage and mail, all microfilm and microfiche, optical imaging, computers, electronic mail systems (e-mail), Internet, cellular phones, and any other manner of communication that generates, stores, transmits, or displays information for internal or external business purposes. Non-KCU provided equipment or software shall not be attached, integrated, installed, or allowed direct access to KCU computing resources without written permission.

Communications equipment is provided, with limited exceptions, for business purposes only and is to be used properly, efficiently, and in accordance with the KCU Acceptable Use policy. All communications systems are KCU property with the exception of personal equipment authorized for use.

Employees shall not share user IDs or passwords. Sharing of this information puts the employee and KCU at risk. If the information is compromised, the employee shall immediately notify his/her supervisor and the Information Technology Service Desk.

KCU utilizes strong, complex passwords for access to KCU computing resources. Please refer to the KCU Password policy for more information. Passwords created for use on KCU systems shall never match those created for personal use off KCU systems. Passwords shall not be stored in readable form in batch files, automatic login scripts, software macros, terminal function keys, computers without access control systems, or in other locations where unauthorized persons may discover them. Similarly, passwords shall not be written and left in a place where unauthorized persons may discover them. Aside from initial password assignment and password reset situations, if there is reason to believe that a password has been disclosed to someone other than the authorized user, the password shall be immediately changed. Passwords shall not be shared or revealed to anyone other than the authorized user.

Passwords do not imply complete privacy rights. Consequently, employees have no right to privacy with respect to information existing on or transmitted through KCU communications systems. All KCU employees shall be aware that any information existing on a KCU communications system may be demanded as part of discovery in a court action. **KCU reserves and shall exercise the right to review, audit, intercept, access, and disclose all matters on KCU’s communications systems at any time with or without employee notice.** Such access may occur during or after working hours.

All member and employee information has a default classification of ‘non-public’ unless clearly designated otherwise. Any information of a ‘non-public’ nature, when included in an outgoing email, shall be encrypted to prevent accidental disclosure. Any failure to encrypt any outbound email that contains ‘non-public’ information shall be considered a violation of this policy, the KCU Security Program, or the Email Use Policy. Unauthorized use or disclosure of member and employee information without KCU management approval shall not be allowed. Removal and/or storage of member and employee information outside of
KCU’s direct control or a KCU approved third-party storage site shall be considered a violation of the KCU Security Program.

Employees shall not move, disconnect, or reconnect any computing resource, with the exception of KCU issued laptop computers, without authorization from the Information Technology Department.

Employees are responsible for their use of KCU communication systems. Abuse or prohibited use of the communications systems and equipment as set forth in this manual may lead to disciplinary action up to and including termination. If an employee becomes aware of improper or unauthorized use of KCU communications systems, they are to report the incident to their supervisor/manager immediately.

**CONTROLLING COSTS**

Employees shall know the costs of services and shall use the most cost-effective means of communication. For further information on the costs of services, please contact a supervisor/manager.

**Cell Phone Policy**

Cell phones are furnished to certain employees in connection with their job duties. Employees who are issued cellular phones by KCU shall make all long distance phone calls while traveling on business from their cellular phone. Employees shall limit personal use of the cellular phone in the same way they limit personal use of their office phone. Employees that have excessive cellular usage for personal calls shall be subject to corrective action, up to and including termination.

KCU requires the safe use of its cellular phones by employees while conducting business. Cell phones (whether company-provided or personal) may not be used to conduct company business while driving. If an employee has a hands-free phone device, it may be used while driving. Otherwise, if there is need to use a cell phone, the employee shall pull off the road, park, and make or receive the call. Reading, typing, or sending a text message or email while driving is strictly prohibited by law.

Personal cell phones shall be used only during breaks and meal times. KCU strongly discourages the use of camera phones in any work area.

**Personal Use of Phones**

KCU does not object to employees making an occasional and brief local personal call, but abuse of this privilege may result in a more restrictive policy. Every effort shall be made to limit personal calls to breaks or emergency calls.

Personal long-distance calls may not be charged to KCU. Long-distance calls shall either be placed collect or billed to the employee’s personal account.

**VOICE MAIL**

Many employees have a voice mail system as a feature of their phones. It is similar to a home answering machine, but it has many more features and is also an important public relations instrument.
Since voice mailboxes are accessible by KCU members and are part of KCU's communications systems, all recorded messages shall be consistent and professional. The voice mail system is to be used for KCU purposes only. Questions about voice mail can be directed to a supervisor/manager.

Confidentiality

Employees shall treat all voice mail messages as confidential and not attempt to access another employee’s voice mail without permission. Employees shall be aware, however, that the confidentiality of their messages cannot be assured. Passwords do not guarantee security or privacy.

The voice mail system is owned and maintained by KCU. Consequently, all communications on the system are KCU property. Messages created, sent, or received are not an employee’s private property. KCU reserves the right to access, intercept, read, and disclose any message left on KCU’s voice mail system.

SOCIAL MEDIA POLICY

As part of KCU’s efforts to keep our members’ informed on various topics using traditional and social media channels, KCU maintains an online social presence. For purposes of this policy, social media shall be understood to include any website or forum that allows for the open communication on the Internet including, but not limited to:

- Social Networking Sites (LinkedIn, Facebook, Instagram);
- Micro-blogging Sites (Twitter);
- Blogs (including company and personal blogs);
- Online Encyclopedias (Wikipedia); and
- Video and photo-sharing websites (YouTube; Flickr, Snapchat)

KCU wants employees to be aware of how their use of social media may impact our members, KCU, and themselves. Employees are expected to exercise good judgment, common sense, compliance with laws/regulations (including financial disclosure requirements), and demonstrate respect for each other, members, KCU, and other stakeholders. This policy serves to ensure postings are consistent. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct shall not be tolerated and may subject the employee to disciplinary action up to and including termination.

Using Social Media for Personal Use

Employees are responsible for what they post online, and therefore, shall use their best judgment and exercise personal responsibility when posting to any social media website. Any conduct, online or otherwise, that negatively or adversely impacts the employee’s job performance or conduct, the job performance or conduct of other co-workers or adversely affects members, vendors, clients, colleagues, or associates of KCU or KCU’s legitimate business interests, may result in disciplinary action, up to and including termination of employment.
Using Social Media at Work
Except when authorized by KCU, employees shall refrain from using social media while on work time or on KCU equipment, unless it is work-related, as authorized by a manager or consistent with the Communications Systems Policies and Procedures. Employees shall not use KCU provided email address to register on social networks, blogs or other websites for personal use.

Business-Related Social Media Accounts
All business-related social media accounts and related postings maintained by employees that have been authorized by KCU for marketing and/or networking purposes remain the property of KCU. All information including the account, the log-in, and password shall be returned to KCU at the end of the employee’s employment.

Employer Rights
KCU reserves the right to take appropriate action with respect to inappropriate or unlawful postings that violate this policy or other policies of KCU. Employees are NOT authorized to speak on behalf of KCU, unless explicitly given permission. Employees shall express only personal opinions online and shall never represent himself or herself as a spokesperson for KCU. Employees are discouraged from posting online content relating to KCU unless authorized by KCU.

In the event an employee does post online content relating to KCU, the employee shall make it clear that he or she is not speaking on behalf of KCU. Any online activity relating to or impacting KCU shall be accompanied by a disclaimer stating “the posting(s) on this website is/are my own and do not necessarily reflect the views of KCU.” This disclaimer shall be visible, legible, and easy to understand. This provision is not meant to prohibit employees from engaging in concerted, legally protected activity.

Posting Confidential Information
Employees shall aim to protect KCU’s trade secrets and private, confidential, and proprietary information. Employees shall ensure that online postings do not violate non-disclosure or confidentiality obligations.

Employees shall comply with all copyright, trademark, and intellectual property laws.

General Guidelines
- Act Appropriately and Responsibly – Employees shall act appropriately when posting online. All online behavior shall be consistent with KCU’s policies and practices with respect to ethics, confidential information, discrimination, and harassment. Because online tone can be interpreted in different ways by readers, employees shall not engage in any online conduct that would be unacceptable or inappropriate in the workplace, including, but not limited to derogatory, discriminating, or stereotypical remarks, threats, intimidation, harassment, insults, slander, defamation, or pornography.
- Demonstrate Respect – When posting anything online, employees shall always be fair, courteous, and respectful to all audiences. Employees shall demonstrate proper respect for the privacy of others. If an employee decides to post a complaint or a criticism, the employee shall avoid using any statements, photographs, video, or audio that may be viewed as malicious, obscene, threatening, harassing, or abusive of co-workers, members, vendors, clients,
colleagues, or other individuals that work on behalf of or are associated with KCU. Employees shall refrain from engaging in offensive postings that may create a hostile and abusive work environment based on race, gender, religion, or any other protected class.

- **Be Accurate and Honest** – Employees shall always be accurate and honest in posting any news or information to social media and quickly correct any mistakes or errors. Employees shall never post information which is known to be false about KCU or co-workers, members, vendors, clients, colleagues, or other individuals that work on behalf of or are associated with KCU.

- **Job Accountability** – Employees shall ensure that online activities do not interfere with job performance.

**Retaliation Prohibited**

KCU prohibits taking negative action against any employee for reporting a possible violation of this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible policy violation or for cooperating in an investigation shall be subject to disciplinary action, up to and including termination.

**Legal Liability**

Employees can be criminally or civilly liable for what is written or posted online.
NON-KCU RELATED ACTIVITIES

NON-KCU SOLICITATIONS AND DISTRIBUTIONS

In the interest of maintaining a proper business environment and preventing interference with work and inconvenience to others, employees may not solicit financial contributions (except for charitable causes) or solicit for any other cause while in work areas. Employees who are not on working time (e.g., those on lunch hour or breaks) may not solicit employees who are on working time for any cause or distribute literature of any kind to them. This policy also prohibits solicitations via KCU’s email or other communication systems. Furthermore, employees may not distribute literature or printed material of any kind in work areas.

OUTSIDE EMPLOYMENT

Employment with employers who are unrelated, and who do not compete with KCU, is allowed as long as it does not conflict with the employee’s KCU work requirements and/or productivity.

Additionally, certain types of other employment may be unsuitable for employees. Before accepting employment elsewhere, employees shall discuss the matter with their manager/supervisor.

Employees may not use any KCU equipment or tools for another job without the consent of the President/CEO.
COMPENSATION AND LEAVE

PAY SCHEDULE

Payday is every other Friday. Employees are provided an electronic pay stub via Ceridian Self Service every pay period. It is the responsibility of each employee to view their pay stub following each pay period. Any corrections that may need to be made to paychecks shall be done the following pay period. Employees can choose to have direct deposit into the employee’s KCU account or other financial institution. If the employee does not wish to have direct deposit, they shall receive a payroll check. If an employee elects to have a payroll check in lieu of direct deposit, they shall receive their check on payday at their work location.

Please contact Human Resources regarding pay-related questions.

HOLIDAYS

A list of holidays observed by KCU can be found on the Intranet. Regular full-time employees in a pay status receive full pay for these days. Regular part-time employees, special part-time employees, and temporary employees are not paid for holidays.

If a holiday occurs during vacation, the employee shall receive holiday pay instead of vacation pay for that day. The holiday hours are not deducted from accrued paid vacation leave.

ACCRUAL OF VACATION LEAVE

Paid vacation leave is provided to all eligible full-time and hourly part-time employees. Please be aware not all employees are eligible for this benefit. Paid vacation leave hours are accrued weekly according to the following schedule:

For KCU employees hired prior to January 1, 2010:

- Regular full-time employees with less than or equal to 3 consecutive calendar years of service accrue 2 hours per 40 hour week.
- Regular full-time employees with more than 3 but less than or equal to 15 consecutive calendar years of service accrue 3.08 hours per 40 hour week.
- Regular full-time employees with more than 15 calendar years of service accrue 4 hours per 40-hour week.
- Regular part-time employees accrue vacation leave on a pro-rata basis according to the guidelines stated above. For example, a regular part-time employee with less than or equal to 3 calendar years of service would accrue 1 hour of vacation leave for every 20 hours worked. A regular part-time employee with more than 15 calendar years of service would accrue 2 hours of vacation leave for every 20 hours worked.
For KCU employees hired on/or after January 1, 2010:

- Regular full-time employees with less than or equal to 5 consecutive calendar years of service accrue 1.54 hours per 40 hour week.
- Regular full-time employees with more than 5 but less than or equal to 10 consecutive calendar years of service accrue 2.31 hours per 40 hour week.
- Regular full-time employees with more than 10 but less than or equal to 15 consecutive calendar years of service accrue 3.08 hours per 40 hour week.
- Regular full-time employees with more than 15 calendar years of service accrue 3.85 hours per 40 hour week.
- Regular part-time employees working less than 40 hours accrue vacation leave on a pro-rata basis according to the guidelines stated above. For example, a regular part-time employee with less than or equal to 5 calendar years of service would accrue 0.78 hours of vacation leave for every 20 hours worked. A regular part-time employee with more than 10 but less than or equal to 15 calendar years of service would accrue 1.54 hours for every 20 hours worked. A regular part-time employee with more than 15 calendar years of service would accrue 1.92 hours of vacation leave per 20 hours worked.

**Requesting Leave**

All leave requests shall be coordinated with and approved by the employee’s supervisor/manager. The employee shall plan well in advance of the anticipated leave time. Leave requests of 1 week or more shall be submitted at least 1 month in advance through the timekeeping system.

Vacation leave shall be granted if consistent with the department's staffing requirements. KCU shall make a concerted effort to grant 2 weekly increments for those employees earning 20 days or more of vacation leave per year. Leave requests for greater than 2 consecutive weeks are subject to prior approval and are considered a special request and will only be considered and granted on an individual basis. The proper procedure is to request extended leave from the immediate supervisor, with final approval by the appropriate Senior Vice President.

Each calendar year, employees are required to take a minimum of 40 hours of accrued leave over 5 consecutive work days, exclusive of KCU’s observed holidays.

Paid leave may be taken in increments of 15 minutes for hourly employees only.

**Paid Vacation Leave on Separation of Employment**

If employment ceases for any reason, KCU shall pay for all unused accrued vacation leave at the current rate of pay, regardless of what the pay was when the leave was earned.

Unused accrued leave shall be paid on the payday following the last day of employment.

Upon retirement or death, KCU shall pay the employee or employee’s estate for all unused accrued vacation leave at the last rate of pay, regardless of what the pay was when the employee earned the leave.
ACCRUAL OF SICK LEAVE

Paid sick leave is provided to all eligible full-time and part-time employees. Please be aware not all employees are eligible for this benefit. Paid sick leave hours are accrued weekly according to the following schedule:

For KCU employees hired prior to January 1st, 2010:
- Regular full time employees accrue 2 hours of sick leave per 40 hour work week.
- Regular part-time employees accrue sick leave on a pro-rata basis. For example, a regular part-time employee would accrue 1 hour of sick leave per 20 hours worked.

For KCU employees hired on/or after January 1st, 2010:
- Regular full time employees accrue 1.54 hours of sick leave per 40 hour work week.
- Regular employees working less than 40 hours accrue sick leave on a pro-rata basis. For example, a regular part-time employee would accrue 0.78 hours of sick leave per 20 hours worked.

Carry Over of Leave and Payment of Leave on Termination of Employment

The following applies to all eligible employees regardless of when hired:
- No more than 240 hours of vacation leave may be carried over at the end of each payroll year.
- Accrual of sick leave is limited to a maximum of 1,040 hours.
- Only accrued and unused vacation leave shall be paid out at the end of employment with KCU.
- No leave shall accrue while on layoff or on unpaid leave of absence. Leave accrues only while the employee is in pay status.

Use of Sick Leave

An employee becomes eligible to use sick leave hours as soon as hours have been accrued. Payment for approved sick leave shall be made to the extent the employee has accumulated sick leave hours, in increments of 15 minutes. Regular part-time employees shall be eligible to use available sick leave hours only in amounts required to cover absences from their normal part-time work schedules. If an employee does not have sufficient sick leave to cover their scheduled hours, remaining leave shall be deducted from their vacation leave balance.

Payment of accrued sick leave is to be granted only in the event of unavoidable absence due to:
- Approved leave under the Family and Medical Leave Act of 1993 (FMLA) or Washington Family Care Act
- Illness of employee
- Exposure to a contagious disease, which may jeopardize the health of fellow workers or the public
- Necessary medical, dental, optical or mental health appointments. Employees shall arrange necessary appointments to avoid absence from work whenever reasonably possible, and
otherwise schedule such appointments after consulting with the employee’s supervisor so as to minimize absence from work and inconvenience to KCU

- Leave for Family Care under Washington State Law

Under Washington State’s Family Care law, an employee may use accrued sick leave and/or accrued vacation leave to care for family members under certain circumstances. The employee may choose whether to use accrued sick leave and/or accrued vacation leave under the following circumstances:

- Absences to care for the employee’s minor child who has a health condition requiring treatment or supervision;
- Absences to care for the employee’s adult child who has a health condition requiring treatment or supervision, if the adult child is incapable of self-care because of a mental or physical disability;
- Absences for care for the employee’s spouse, parent, parent-in-law or grandparent, who has either:
  - A serious health condition; or
  - An emergency condition;
  - Absences for an employee’s child or qualifying family member’s medical, dental or optical appointment that cannot be scheduled outside of work hours;
- Death in the immediate family. Bereavement leave is limited to 5 days.

All sick leave shall be supported by a completed time-off request and approved by the employee’s supervisor/manager. Sick leave shall be computed at the employee’s pay rate in effect on the day(s) of the absence.

Notification of absence shall be given to KCU as soon as possible. Failure to notify KCU within the attendance policy guidelines on the first day of absence, may result in loss of compensation of sick leave.

A doctor’s statement may be required if sick leave use extends beyond 3 days. However, the supervisor/manager may require a doctor’s statement for shorter sick leave absences.

A doctor’s statement is required to release the employee back to work any time the employee has been under the care of a doctor for a specified condition. (For example, maternity leave, injury or illnesses requiring time off under advisement of a doctor.)

KCU may require a doctor's statement at any time for verification of illness at its discretion and will be provided to the Human Resources Department.
Abuse of Sick Leave
Any employee found to have abused the sick leave benefit by falsification or misrepresentation shall be subject to disciplinary actions, including the restoration to KCU of amounts paid to such employee for the period of such sick leave, and may be terminated by KCU.

Sick Leave on Separation of Employment
Accrued and unused sick leave hours of employees leaving KCU employment shall not be paid.

Other Leaves of Absence

Family and Medical Leave (FMLA)
In accordance with applicable federal and state family and medical leave laws, KCU provides eligible employees up to 12 weeks of unpaid leave during a 12 month period to care for a newborn or newly-adopted/foster child, stepchild, to care for a spouse or domestic partners, child or parent with a serious health condition or for the employee’s own serious health condition when he/she is unable to perform the functions of the job. A “serious health condition” is an illness, injury, or other physical or mental condition that involves an overnight stay in a medical care facility or continuing treatment by a health care provider, for example, more than 3 consecutive days absent, chronic conditions, etc.

Under federal law, leave under this policy also may be taken for a “qualifying exigency” when a spouse, son, daughter, stepchild or parent is on or called to active duty in support of the U.S. Armed Forces by the Reserves, National Guard, or from military retirement, or for reasons relating to an active-duty service member’s deployment.

Leave may be used in a consecutive block, intermittently or on a reduced leave schedule when medically necessary or otherwise approved by KCU.

The 12 month period for determining family or medical leave entitlement is calculated from the first day leave is taken looking forward 12 months.

To be eligible for this leave benefit, the employee shall be employed a minimum of 12 months, have worked at least 1,250 hours during the 12 months immediately preceding the requested leave and be located at a site with at least 50 employees, or collectively within a 75 mile radius. The employee is required to give a minimum 30 day written notice requesting leave for reasons of a birth, adoption/foster placement or planned medical treatment for a serious health condition. Whenever a 30 day notice is not possible, the employee is required to inform KCU as soon as practical by notifying the Human Resources Department.

KCU requires the employee to apply all applicable paid vacation and sick leave, while initially on leave under this policy, and before such time off is designated as unpaid. Health insurance benefits shall continue during the absence at the same level and conditions as if the employee were continuing to work, and until such time that the leave ends or Human Resources is informed that the employee shall not return to work, whichever occurs first. The employee shall remain responsible for any premium amounts normally contributed toward health care coverage, including dependent coverage.
Upon completion of the leave under this policy, the employee shall be restored to the former position or to an equivalent job with equivalent pay, benefits, and other conditions and privileges of employment. Different restoration procedures apply to those employees designated by KCU as “key” individuals.

If the employee is the spouse, child, stepchild, parent or next of kin of a military service member who has a serious illness or injury from active duty service, KCU provides up to 26 weeks of leave under federal law while the service member is undergoing medical treatment, recuperation, therapy, or is otherwise in outpatient status or on the temporary disability retired list. This form of leave also applies to eligible family members of veterans for up to 5 years after the veteran leaves service for a serious illness or injury incurred during active duty. This 26 week maximum is available only during a single 12 month period starting from the first day such leave is taken, and is combined with other FMLA leaves taken during the same period.

KCU shall notify the employee about eligibility and designation of approved leave under this policy.

In compliance with Washington State laws, available leave under this policy may be taken in addition to the actual time period a woman may need for time off due to her temporary disability related to pregnancy or childbirth. Further, approved time off to care for domestic partners shall not count under the Federal Family and Medical Leave Act (FMLA), because the FMLA does not include domestic partners in the definition of immediate family members. This form of leave relates only to coverage under the State Family Leave Act.

**Nursing Mothers Policy**

KCU shall provide nursing mothers with reasonable break time from work and a private space to express breast milk during the day for one year after the child’s birth. Employees may use paid rest break time and additional unpaid break time, if needed.

**Parental Leave**

KCU’s parental leave policy is covered under the federal and state Family and Medical Leave Act and Washington Family Care Act. For those employees who do not qualify under either the federal or state Acts, leave shall be granted on a case-by-case basis. Under no circumstances, however, shall the leave granted exceed the time allowed under the federal and state Acts.

Under the federal Family Medical Leave Act, parents are entitled to up to 12 weeks FMLA leave for the following reasons:

- The birth of a child or to care for a child within the first 12 months after birth;
- The placement of a child with the employee for adoption or foster care within the first 12 months of placement.

Under Washington State law, a woman with a pregnancy-related disability shall be eligible for unpaid leave for the entire time of the pregnancy-related disability, in addition to any applicable leave under the federal Act.
Military Service Leave
Military leave shall be granted to all employees under orders that require them to serve in any of the U.S. Military branches.

KCU shall pay the difference between the employee’s straight time pay at the rate of 8 hours a day (prorated for part time), 5 days a week and the employee’s military pay for the first 10 days of military leave per year.

Military Family Leave
During a period of military conflict, KCU provides eligible employees with up to 15 days of unpaid leave to be with their military spouse who is notified of an impending call or order to active duty or who has been authorized for leave from deployment.

To be eligible for this benefit, the employee shall be employed an average of 20 or more hours per week. The employee shall notify their direct supervisor of their intention to take leave under this policy within 5 business days following receipt of the official military notice.

An employee may choose to apply applicable accrued paid leave benefits while taking military family leave. Health insurance benefits shall continue at the level and conditions as provided under applicable laws. Upon the completion of the leave, the employee may return to the original position or an equivalent job with equivalent pay, benefits, and conditions of employment.

Jury Duty Leave
An employee who receives a summons for jury duty shall report this obligation to his/her supervisor or department manager upon notification. KCU shall pay employees who serve as jurors at their regular rate of pay (less any pay received for serving in the court) for a maximum of 10 days, not to exceed 8 hours per day. It is the employee’s responsibility to provide documentation prior to receiving payment.

Employees who are subpoenaed to serve as a witness in court are required to submit advance notice. Employees shall be allowed leave without pay to perform these responsibilities.

Employees are expected to return to work as soon as possible unless a full day’s absence is pre-arranged and/or required. Proof of court documentation for witness duty may be requested.

Leave Without Pay
If circumstances arise where the employee shall be in a leave-without-pay status, the employee shall not earn sick or vacation leave. The employee shall be responsible for reimbursing KCU for any payroll deductions. As with any leave, the employee shall obtain prior approval from the supervisor/manager.

Bereavement Leave
Employees are eligible for up to 5 days leave for a qualified death in the family. Leave pay shall be taken from the employee’s sick or vacation leave bank, or granted without pay leave depending on leave availability in that order. For this leave, family is defined as: spouse, children, parents, siblings,
grandparents, grandchildren, step, and in-laws. Family also includes significant others as well as unmarried domestic partners.

**Domestic Violence Leave Act Policy**
If the employee or employee’s family member (child, spouse, domestic partner, parent, parent-in-law, grandparent, or persons with whom the employee has a dating relationship) are a victim of domestic violence, sexual assault, or stalking, KCU may offer a reasonable period of leave (as determined by the employer), intermittent leave, or a reduced schedule to seek legal or law enforcement assistance, counseling, or medical treatment.

Leave is without pay unless the employee chooses to use accrued sick or vacation time. The employee shall be asked for written verification of the need for leave. KCU may also request documentation to determine family relationship. To the extent allowed by law, health insurance benefits continue at the level and conditions that would have been provided had the employee remained continuously employed. Upon completion of the leave, the employee may be restored to the same job or an equivalent position with equivalent pay, benefits, and conditions of employment.

Information provided by the employee to determine eligibility or continuation for this leave may only be disclosed by KCU if the employee requests or consents to its disclosure, in response to a court or administrative order or as otherwise required by Federal and State law.

**Vacation Leave Donation**
Employees have an opportunity to donate a portion of their accrued vacation leave to employees who need to take unpaid leave due to a serious health condition of the employee or immediate family under the Family Medical Leave Act (FMLA).

For the purpose of this program, immediate family member is defined as a spouse/domestic partner or children under the age of 18 living in the home. Leave for the birth/adoption of a child shall not be eligible for leave donations. Donated leave shall be paid at the receiving employee’s hourly rate, and become their taxable event.

Donated leave shall be granted on an individual payroll period basis. The donated leave provided to employees shall not be eligible to be paid out in the event of termination. Employees using donated leave shall be considered to be in active pay status. Leave accrued by an employee, while using donated leave, shall be used first in the following pay period before additional donated leave may be used. Employees receiving donated leave shall not accrue vacation and/or sick leave on the donated leave received.

Leave donations shall not extend beyond either the FMLA approved absence or long-term disability waiting periods.

To be eligible to donate leave, the employee shall have a minimum combined sick/vacation leave balance of 80 hours. Employees donating vacation leave shall do so in 8 hour increments and may not
donate leave in excess of 50 percent of their vacation accrual. No employee may donate more than 30 days.

Employees receiving compensation through disability insurance or Worker’s Compensation fund are not eligible to request leave donations.

Human Resources shall respect the privacy of all KCU employees and all medical conditions and information shall remain confidential; sharing only eligibility and need for donated leave. Due to the sensitive, personal nature surrounding this program, KCU shall not actively solicit specific donations from employees. If an employee is interested in donating leave to a co-worker, Human Resources shall only confirm or deny the need for donations.

Donations shall remain anonymous.
INSURANCE COVERAGE

**Medical Insurance**

KCU offers eligible employees a choice of 2 medical coverage plans. Eligible employees are regular, full-time and regular part-time employees who have completed 60 days of regular employment. Eligibility begins on the first day of the month following 60 days of regular full-time or regular part-time employment.

KCU contributes toward the cost of eligible employees’ medical coverage. Employees may add dependents through payroll deduction.

**Vision Insurance**

KCU provides eligible employees vision coverage. Eligible employees are regular, full-time or regular part-time employees who have completed 60 days of regular employment. Eligibility begins on the first day of the month following 60 days of regular employment.

KCU contributes toward the cost of eligible employees’ vision coverage. Employees may add dependents through a payroll deduction. Vision is only available if the dependents are covered under one of KCU’s medical plans.

**Dental Insurance**

KCU provides eligible employees dental coverage. Eligible employees are regular full-time and regular part-time employees who have completed 60 days of regular employment. Eligibility begins on the first day of the month following 60 days of regular full-time or part-time employment.

KCU contributes toward the cost of eligible employees’ dental coverage. Employees may add dependents through payroll deduction.

Information on costs of coverage can be found in the Human Resources page on the Intranet under HRConnection. Login: KitsapCU, password is CreditUnion1.

**Life Insurance**

Eligible employees are regular full-time employees who have completed 60 days of employment. Eligibility begins on the first day of the month following 60 days of employment. Currently, KCU pays 100 percent of the group life insurance premium. The employee is responsible for any taxes due related to the insurance program. Coverage is 2 times annual earnings up to a maximum benefit payable of $400,000.
ACCIDENTAL DEATH AND DISMEMBERMENT—FULL-TIME EMPLOYEES ONLY

Eligible employees are regular full-time employees who have completed 60 days of employment. Eligibility begins on the first day of the month following 60 days of employment. Currently, KCU pays 100 percent of the group accidental death and dismemberment (AD&D) insurance premium.

Insurance provides specified benefits for a covered accidental bodily injury that directly causes dismemberment. In the event that death occurs from a covered accident, both the Life and AD&D would be payable.

LONG-TERM DISABILITY COVERAGE—FULL-TIME EMPLOYEES ONLY

Eligible employees are regular full-time employees who have completed 60 days of employment. Eligibility begins on the first day of the month following 60 days of employment.

In the event an employee becomes disabled while employed and is no longer able to work, KCU has a long term disability insurance plan that may pay up to 60 percent of salary or $7,000 per month, whichever is less. Currently, KCU pays 100 percent of the premium for this insurance. Any payments for long-term disability are subject to the conditions of KCU’s long-term disability plan.

Should the eligibility rules of this handbook conflict with those of a benefit plan document, the terms of the benefit plan document shall prevail.
OTHER COVERAGE

EMPLOYEE ASSISTANCE PROGRAM

The Employee Assistance Program (EAP) can help with problems at home or work by providing confidential, professional, and legal help to the employee and their family. There is no charge for initial assessments. This benefit is available to regular full-time and part-time employees and members of their household.

SECTION 125 PLAN/CAFETERIA PLAN

KCU’s Section 125 Plan offers a tax-savings opportunity that allows full-time and part-time employees to pay for certain dependent care expenses, out-of-pocket insurance premiums, and unreimbursed medical expense with pre-tax income.

While the Section 125 Plan may reduce the amount of federal income tax the employee owes, it may also slightly reduce Social Security benefits at retirement.

Once the employee elects to participate in the Section 125 Plan and signs up for a bi-weekly salary reduction, the pay reduction cannot be suspended, increased, or decreased during a plan year unless the employee experiences an IRS qualifying event. Any amount less than $500 remaining in the employee’s Section 125 Plan account at the end of the plan year will carry over to the following year. Any amount over $500 is forfeited, as stipulated by the IRS.

All employees receive a Section 125 Plan informational packet from Human Resources. Questions regarding this plan shall be addressed to Human Resources.

See the Intranet Human Resources page for the link to the website where benefits offered by KCU are located or click HRConnection Login: Kit sapCU – Password: CreditUnion1.

WORKERS’ COMPENSATION

In the event of an occupational injury or sickness, the Workers’ Compensation Law protects all KCU employees. KCU employees are insured with the Washington State Industrial Insurance Fund.

Employees are to inform their supervisor/manager immediately if they are injured, no matter how minor the injury seems.

KCU also has a formal safety committee to monitor safety in the work environment.

SOCIAL SECURITY

Under federal laws, a percentage of each employee’s salary is deducted as a contribution to the Social Security Fund.
COBRA

If an employee resigns or is terminated from KCU’s employ, or if the employee’s work hours are reduced, and if this event makes the employee or their dependents no longer eligible to participate in KCU group health insurance plans, the employee and eligible dependents may have the right to continue to participate for up to 18 months at the employee’s (or the employee dependents’) expense. If the employee is determined to be disabled under the Social Security Act at the time of termination or reduction in hour occurs (or within 60 days of these events), the employee may be entitled to continuation of coverage for up to 29 months. Upon resignation or termination, the employee shall be provided additional information regarding eligibility for continuation in participation in KCU’s group health insurance plans.

Further information on COBRA rights can be found in the plan’s Summary Plan Description (SPD) located on KCU’s Intranet in the Employee Resources Section and accessing the HRConnection link. Login: KitsapCU – Password: CreditUnion1.
RETIREMENT PLAN

KCU offers a 401(k) Retirement Savings Plan. Employees over the age of 21 may begin making their own contributions after completing 60 days of service.

KCU CONTRIBUTIONS

KCU shall contribute 3% of the employee’s annual pay into the Plan, provided the employee meets the eligibility guidelines below. In addition, KCU shall deposit .50 cents for every dollar the employee contributes on the first 2% of wages.

To be eligible for the contribution, the employee shall:

1) Be at least 21 years of age
2) Have completed 12 months of service with KCU
3) Have completed 1,000 hours of service during the 12 month period beginning on the date of hire

VESTING

The employee is always 100 percent vested in their own and any employer contributions. This includes the 3 percent employer contribution, as well as any matching contributions.
OTHER BENEFITS

KCU offers a wide variety of financial services at or below member cost to KCU employees.

Please see the Intranet, Human Resources page for more details.

EMPLOYEE LOANS

Loans may be made to KCU officials and employees using the same underwriting criteria as with any member. The Employee Rate Discount Program does not constitute automatic approval of a loan request.

Consumer loan applications from any Branch Manager, Department Manager, Senior Vice President, or their spouse shall be taken by any Branch Manager or Assistant Manager. Approval or rejection shall be made by the President/CEO, the SVP/CLO, VP Lending Services Dealer Finance Operations Manager, or one of the Senior Vice Presidents with an applicable loan limit.

Loans secured by Pledge Share or Certificates of Deposit are exempt from the criteria above.

For further information regarding employee loans, please contact the VP of Lending Services.

No-Interest Personal Computer Loans

Regular full-time and part-time employees who have satisfactorily completed the initial training period (120 days) are eligible for a no-interest loan for a personal computer, related peripherals, and software for their personal use. The maximum loan amount is $5,000. The loan term is 36 months. Before the loan is issued, the employee shall provide the original invoice(s) for the personal computer system.

If the employee leaves employment for any reason, the personal computer loan shall be converted to the current rate of interest on a Signature loan.

MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS

KCU encourages employee membership and participation in professional organizations which enhance the employee’s career development and growth. Examples of such organizations include Credit Professionals International and the Kitsap County Chapter of the Northwest Credit Union Association (NWCUA). KCU may reimburse the employee for membership dues or other expenses incurred through affiliation with professional organizations.

EMPLOYEE EDUCATION/TUITION ASSISTANCE

KCU’s Education Assistance Program is designed to offer assistance to employees who wish to further their employment potential and to assist employees who want to acquire and/or retain skills of professional competence directly related to their present or probable future job assignments at KCU.
Education assistance for reimbursement shall be required in writing and approved by the employee’s manager/supervisor and the Human Resources Manager prior to registration and commencement of the courses. Approval is at the sole discretion of KCU, and KCU may consider the potential benefit of the education for the employer. If approved, reimbursement shall be made for each approved and completed course in which the employee receives a grade of “C” or better, or in a pass/fail course, a “pass” grade. If the employee voluntarily leaves employment with KCU less than one year after completion of a course, the employee may be responsible for repayment to KCU for reimbursement amount for that course.

Maximum reimbursements are based on the employee’s length of service with KCU. If the employee has been employed at KCU for 1 to 3 years, KCU reimburses up to $500 dollars per year. If the employee has been employed at KCU for 5 to 8 years, KCU reimburses up to $1,250 per year. The maximum reimbursement amount for anyone with more than 8 years of service is determined on a case-by-case basis. These amounts are per calendar year.

Managers/supervisors are immediately eligible for an annual reimbursement of up to $1,000. Reimbursements are determined individually and are subject to the approval process prior to enrollment.

Institutions of recognized standing shall sponsor courses. Correspondence courses are not approved unless offered by fully accredited colleges and universities.

KCU assumes no financial responsibility for employees attending classes whose employment terminates for any reason during the period of the educational course.

Please see the Education Reimbursement document posted on the Intranet under the Human Resources page for complete details.

Reimbursement for Other Training
KCU may reimburse regular full-time, part-time, and special part-time employees for training expenses. The training shall be directly related to the employee’s position and prior written approval from the supervisor/manager and Human Resources shall be obtained for reimbursement. This is a reimbursement program and intended for out-of-pocket money for the current program the employee intends to enroll in. It does not apply to courses that are covered under grants or loans.