



Washington Association of Conservation Districts
Policy and Procedures Manual

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INTRODUCTION

SECTION 1. Welcome to WACD

Welcome to the Washington Association of Conservation Districts (WACD). The WACD was established in 1942 and bylaws were adopted in 1944. WACD is comprised of 45 conservation districts around the state and represents 225 conservation district supervisors statewide. The WACD is a state and federally registered 501(c)(6) non-profit association.

VISION

Protecting and conserving natural resources for future generations.

MISSION

WACD is a voluntary, non-governmental association to serve as the collective voice of conservation districts, and to advance the purposes of conservation districts and their constituents by providing leadership, advocacy, representation, influence, information, and products and services, and by protecting and advancing the locally-led principle.

PURPOSES

- Provide district supervisors, staff, and partners with timely information, education, training and leadership.
- Represent conservation districts at the state, regional, and national level to protect and promote conservation districts’ interests, stability, roles, growth and support.
- Serve as a link between conservation districts and their state and federal partners, tribes and other organizations to preserve and advance the locally-led principle and the role for conservation districts.
- Facilitate the resolution of natural resource-related problems working through partnerships and providing direct influence.
- Serve as a communication link among conservation districts to help keep districts informed, build unity, and improve coordination of collective action.

- Provide benefits to all conservation districts and WACD, through the WACD Plant Materials Center’s conservation plant materials and other products and services.
- Inspire and educate conservation district supervisors to a full understanding and acceptance of their responsibilities for leadership and local governance.

SECTION 2. Purpose of Manual

The purpose of this Manual is to provide the membership and staff, and other readers, with a ‘one-stop’ document that sets forth WACD’s Articles of Incorporation, Bylaws, Policies, Procedures, Guidelines and Position Statements. The intent is to facilitate ease of access to the governing documents of the Association.

The contents of this Manual are a summary of current employment policies of the Washington Association of Conservation Districts (WACD). WACD reserves the right to amend or terminate any of the policies, plans, or benefits, described in this Manual with two (2) weeks prior notice. Any such changes, once approved by the WACD Board and provided to you in writing, will supersede the current contents of this Manual.

Washington is an “At Will” state regarding employment practices. This means that legally, any agency (or company) or any employee of any agency (or company) may terminate employment with or without notice and with or without cause.

This Manual is intended to provide WACD employees with a summary of key personnel policies for ease of use (See Chapter 3). WACD Employees should read, understand, and comply with all provisions of the Manual. It describes employee’s responsibilities and WACD’s responsibilities as an employer.

No Manual can anticipate every circumstance or question about policy. As the organization continues to grow and evolve, the need to change policies described in the Manual may arise. Therefore, WACD reserves the right to revise, supplement, or rescind any policies or portions thereof, from time to time, as it deems appropriate, at its sole and absolute discretion with two (2) weeks prior notice. The only recognized deviations from the stated policies are those authorized and signed by the WACD Board of Directors. New policies or revisions may be distributed to all employees and supervisors as a new or revised page of the Manual.

It is your responsibility, as a supervisor or employee, to read and understand the new or revised policies.

CHAPTER I: ADMINISTRATIVE OPERATIONS

SECTION 1. HOURS OF OPERATION

PART 1. (a) The corporate office located in Olympia, Thurston County, shall have normal office hours for executive management staff of 8:00am to 5:00pm, Monday through Friday.

(b) The standard work week for executive management staff is 40 hours for full-time employment. Individual work schedules may vary due to funding requirements and/or WACD program needs. This may include evenings and weekends.

PART 2. (a) The Plant Materials Center located in Bow, Skagit County, shall have normal operating hours for full-time staff of 7:30am to 4:00pm, Monday through Friday.

(b) Staffing needs and operational demands may, from time to time, necessitate variations in starting and ending times as well as variations in the total hours that may be scheduled each day and week. Individual work schedules may vary as determined by the Nursery Manager.

SECTION 2. SIGNATURE AUTHORITY

(1) The following officers and employees of the Washington Association of Conservation Districts, pursuant to subsection (b) of this section, shall be authorized to sign checks on behalf of the Association:

- (a) President;
- (b) Vice President;
- (c) Treasurer;
- (d) Secretary;
- (e) National Director;
- (f) Immediate Past President;
- (g) Executive Director;
- (h) Legislative and Membership Assistant;
- (i) Administrative Manager/Bookkeeper; and
- (j) Nursery Manager.

(2) (a) Checks \$500.00 and under shall require one signature.

(b) Checks over \$500.00 shall require two signatures.

(3) The Executive Director, in consultation with the President, shall determine the process for obtaining signatures for checks and who should be contacted in priority order.

(4) Only Association officers and the Executive Director may sign documents, correspondence, applications, reports, and contracts on behalf of the Association.

(5) The persons holding the positions listed in subsection (1) of this section must annually sign:

- (a) The necessary financial institution paperwork authorizing their signature for checks;
- (b) The Affirmation of Compliance form; and
- (c) The Conflict of Interest Disclosure Statement.

SECTION 3. CONFLICT OF INTEREST

PART 1.

The Washington Association of Conservation Districts (WACD) is a nonprofit, tax exempt organization [WACD as 501(c)(6)]. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. The following policies and procedures are adopted in accordance with IRS Form 990, Part VI, Line 11b, Organization's Process to Review IRS Form 990, in order to provide the required procedures to address potential conflicts of interest.

PART 2. Application of Policy.

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. It applies to the WACD Board of Directors and WACD employees, as well as their relatives and associates, who are hereinafter referred to as "interested parties."

PART 3. Definition of Conflict of Interest.

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of WACD, or where an interested party directly or indirectly benefits or profits because of an action by WACD. The variety of situations that raise conflict of interest concerns include, but are not limited to, the following:

SUBPART 1: Financial Interests - A conflict may exist when an interested party directly or indirectly benefits or profits because of a decision, policy or transaction made by WACD. Examples include situations such as:

- WACD contracts to purchase/lease goods, services, or property from an interested party.
- WACD offers employment to an interested party, other than a person who is already employed by WACD.
- An interested party uses his or her relationship with a WACD client or contractor to obtain employment, a contract or other benefit.
- An interested party is provided use of the facilities, property, or services of WACD in a manner that would not be available to other community members.
- WACD adopts a policy or resolution that specifically creates a financial benefit to an interested party.

SUBPART 2. Other Interests - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with WACD.

Examples include where:

- An interested party seeks to make use of confidential information obtained from WACD or a WACD client or contractor for his/her own benefit (not necessarily financial).
- WACD adopts a policy or resolution that provides a significant non-financial benefit to an interested party.

SUBPART 3. Prohibitions - Employees are prohibited from performing work which could be construed as a “conflict of interest” by using WACD’s name, equipment or facilities for personal gain. Employees are prohibited from receiving any fee, commission, or gift in return for award of a bid, contract, subcontract, etc. For more information, see Anti-Kickback Act, 18 U.S.C., 40 U.S.C., 276b, 276c, 41 U.S.C. 51-54.

PART 4. Disclosure of Potential Conflicts of Interest.

(a) An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known.

(b) WACD Board of Directors and key WACD employees shall complete an Affirmation of Compliance form (APPENDIX 4) when they join the board or staff and annually thereafter.

(c) Any interested party shall complete and submit within fifteen (15) working days the Conflict of Interest Disclosure Statement (APPENDIX 4) to disclose any potential conflicts of interest.

(d) The WACD Board of Directors designates the WACD Executive Director as the reviewing official who is responsible for bringing potential conflicts to the attention of the WACD Board of Directors. Disclosure Statements and Affirmations of Compliance forms shall be submitted to the WACD Executive Director. The WACD Executive Director shall file copies of all disclosure statements with the official corporate records of WACD.

(e) Where a potential conflict of interest applies to the WACD Executive Director, the WACD Executive Committee shall serve as the reviewing official.

PART 5. Violations of Conflict of Interest Policy.

(1) If either the WACD Board of Directors or the WACD Executive Director has reason to believe that an interested party has failed to disclose a potential conflict of interest, the WACD Executive Director shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose. The interested party shall submit the required disclosure documents within fifteen (15) working days where it is agreed that such submittal is required.

(2) If the WACD Board of Directors decides that the interested party has in fact failed to disclose a conflict of interest, the board shall take such disciplinary and corrective action as it determines appropriate.

(a) For WACD directors and officers, disciplinary action may include written warning, written censure, loss of appointment, or removal from office in accordance with WACD bylaws.

(b) For WACD employees, disciplinary action may include written warning, written letter of reprimand, or dismissal.

SECTION 4. WACD ANNUAL CONFERENCE

(1) The Association shall convene annually for a conference.

(a) The date and location shall be determined by the Board of Directors.

(b) The purposes of the annual conference shall include, but are not limited to:

- (i) Consideration of resolutions that have passed at the annual Area meetings or proposed at the annual conference;
- (ii) Consideration of changes to the Articles of Incorporation or Bylaws, or both; and
- (iii) Opportunities for attendees to network.

SECTION 5. WACD ANNUAL AREA MEETINGS

- (a) Each Area of the Association shall convene annually, generally in the fall, to consider possible resolutions for consideration at the annual WACD meeting.
- (b) The host of the annual fall Area meeting shall be rotated among the districts in the Area.
- (c) The executive/planning committee for the annual Area meeting shall be comprised of the officers of the host district and the district board chair from the preceding year host district.
- (d) Each Area shall adopt bylaws.
- (e) The bylaws shall include how a vacancy in the position of Area Director is to be filled.

SECTION 6. WACD COMMITTEES – PERMANENT

PART 1. The permanent committees of the Association are the same as specified in Part XII, Section 2 of the Bylaws:

- (a) Executive Committee;
- (b) Officer Recruitment Committee;
- (c) Finance Committee;
- (d) Legislative, Bylaws and District Policies Committee;
- (e) Natural Resource Committee; and
- (f) Tribal Relations Committee.

PART 2. Appointments. Pursuant to the Association Bylaws [Part X, Section 1(g) and Part XI, Section 3] the president has the discretion to appoint the following persons to the permanent committees of the Association, excepting the Executive Committee:

- (a) Supervisors from a district with current membership in the Association;
- (b) Associate Supervisors from a district with current membership in the Association;
- (c) District Managers/Directors or other WADE employees from a district with current membership in the Association.
- (d) Appointees under subparts (b) and (c) of this PART shall constitute no more than three (3) of any permanent committee.

PART 3. Finance Committee. (a) The Finance Committee shall be of such size as determined by the President and shall include two members from the Plant Materials Center Committee.

- (b) In making the appointments to the Finance Committee, the President shall give priority consideration to supervisors who have financial stewardship training and experience.

(c) Members of the Finance Committee shall make every effort possible to take advantage of opportunities to receive training relating to financial stewardship responsibilities. The Executive Director shall facilitate opportunities for members to fulfill this expectation.

(d) The President, in consultation with the Finance Committee chair, Executive Director, and Plant Materials Center (PMC) Nursery Manager shall appoint a PMC Subcommittee. The subcommittee shall be six members, as determined by the President in consultation with the Executive Director and PMC Nursery Manager.

(i) Three members of the current PMC Committee shall be appointed to the subcommittee.

(ii) Three members of the current Finance Committee shall be appointed to the subcommittee.

(iii) Subcommittee member terms shall not be term limited, other than for those who are also members of the Finance Committee and whose terms are subject to bylaw provisions.

(iv) Finance Committee members who are on the subcommittee shall be the official liaison voices between the two committees.

(v) The President may appoint persons who are neither supervisors nor district staff, but may have particular expertise that would be valuable to the subcommittee. If possible, at least two subcommittee members shall have farming or nursery experience.

PART 4. Committee Governance.

(a) In making appointments, the President shall try to appoint members who represent the west, central and east regions of the state.

(b) The President shall determine the size of the permanent committees.

(c) Terms of office shall be as follows:

(i) Terms of office for committee members shall be four years, with no limitation on the President to reappoint members for subsequent terms, subject to consultation with the Executive Committee.

(ii) Terms for committee chairs, if WACD officers, shall be as set forth under Part IV, Section 4 of the Bylaws.

PART 5. Staff Support. Staff support to the permanent and special committees, and advisory task forces, shall be determined by the Executive Director.

PART 6. Meeting. Committees shall convene as follows:

(a) The Finance Committee will meet at least quarterly.

(b) Other permanent committees are expected to meet at least once annually, excluding the annual Association meeting.

(c) The Executive Committee meets at the discretion of the President or by request of the committee.

PART 7. Review. Excepting the Officer Recruitment Committee, each permanent committee shall review standing policies and adopted resolutions since 1999 and make recommendations to the Board as to which policies and resolutions shall sunset.

(a) Beginning no later than November 2018, every resolution and policy shall be reviewed at least every five years by the applicable permanent committee.

(b) The review shall include recommendations from the permanent committees as to whether the resolution or policy should sunset, including a sunset date recommendation, or whether the policy or resolution should be retained.

(c) Effective November 30, 2018, every new resolution and policy shall sunset after five years.

PART 8. Parliamentary law. Roberts Rules of Order, latest edition, shall be the governing parliamentary law of the Association, Association committees and advisory task forces.

PART 9. Duties of the Executive Committee.

(a) Those set forth under Part IX of the Bylaws;

(b) Review the budget recommended by the Finance Committee and forward to the Board for final consideration and adoption;

(c) Make recommendations to the Board for changes to internal Association policies;

(d) As needed, review and recommend action on Area resolutions; and

(e) As appropriate, draft resolutions for membership consideration at the annual meeting.

(f) Monitor executive staff in their work with the Association lobbyists and the Washington State Conservation Commission in creating and implementing a strategy for achieving long-term sustainable funding. The strategy shall include the Association membership in reminding legislators that the CDs and the Legislature share constituent communities in responding to the state's natural resource challenges.

PART 10. Duties of the Legislative, Bylaws and District Policies Committee.

(a) Review and act on bylaws resolutions and amendments at the annual meeting.

(b) Resolve Bylaws interpretations.

(c) Review and act on Area resolutions at the annual WACD meeting.

(d) Discuss and recommend positions on legislation and policy matters that are external to the Association and which may have an impact on the Association.

(e) Discuss and recommend policies or resolutions relating to district operations (e.g., operational aspects of conservation service delivery; district management; conservation accountability and performance program, local assessments or rates and charges process; elections and appointments; information technology; fiduciary management; district consolidation; grant application and management; promoting conservation education programs; local work groups.)

PART 11. Duties of the Natural Resource Policy Committee.

(a) Review and act on Area resolutions at the annual WACD meeting.

(b) Discuss and recommend policies or resolutions relating to natural resource issues.

PART 12. Duties of the Tribal Relations Committee.

(a) Support and facilitate communication and training between conservation districts and tribes to promote and build working relationships that advance shared conservation goals for healthy natural resources.

(b) Assist in building relationships at two levels:

(i) Technical collaboration – continue to build partnerships at the field level involving tribal and conservation districts’ technical staff; and

(ii) Leadership partnership-building – Establish communication and understanding between tribal leaders, elders, council members or other appropriate tribal representatives and local conservation district supervisors.

(c) As needed, review and recommend action of Area resolutions.

PART 13. Duties of the Officer Recruitment Committee.

(1) Interview all candidates for any of the elected officer positions for the Association;

(2) Report to the membership at the business session of the annual Association conference on the interviews and the nominees for each position up for election.;

(a) When there are two or more candidates for any officer position, the Officer Recruitment Committee shall not recommend any candidate to the membership.

(b) All candidates shall be afforded the opportunity to address the membership on their candidacy before the election.

PART 14. Duties of the Finance Committee.

(1) The role of the finance committee is primarily to provide financial oversight for the organization, making sure that financial matters are being conducted legally, ethically and efficiently. Responsibilities include developing recommendations for the board of directors relating to budgeting and financial planning, financial reporting, internal controls and accountability policies, audits and investments.

(2) Budgeting and Financial Planning

(a) Develop a fully integrated annual operating budget with staff.

(b) Monitor adherence to the budget and act as a watchdog to keep income and expenses pointed toward the mission.

(c) Develop long-range financial goals along with funding strategies to achieve them.

(d) Develop multi-year operating budgets that integrate strategic plan objectives and initiatives.

(e) Present all financial goals and proposals to the board of directors for approval.

(f) Reporting

(i) Work with staff to develop useful and readable financial reports.

(ii) Work with staff to understand the implications of the reports.

(3) Internal Controls

(a) Create and update as necessary policies for board approval that help ensure the assets of the organization are protected.

(b) Ensure policies and procedures for financial transactions are documented in a manual which is reviewed and updated as necessary.

- (c) Ensure that approved financial policies and procedures are being followed.
- (4) Audits
 - (a) With the approval of the board of directors, recruit, select, and evaluate the auditor.
 - (b) Confer with the auditor about trends in the organization's financial picture.
 - (c) Review the draft audit review and 990 as presented by the auditor.
 - (d) Present the audit review report to the board of directors.
 - (e) Review the management recommendations from the auditor and ensure follow up on any issues identified.
- (5) Investments
 - (a) Review and update as necessary the investment policy.
 - (b) Ensure provisions of the policy are followed.
 - (c) Hire, with the approval of the board of directors, and evaluate the investment manager/advisor.
- (6) Insurance
 - (a) Annually review and update as necessary the proper insurance coverage to minimize the organization's risk exposure.

SECTION 7. WACD COMMITTEES – SPECIAL

PART 1. The special committees of the Association are:

- (a) The Awards Committee; and
- (b) The Officer Recruitment Committee.

PART 2. Officer Recruitment Committee.

- (1) Members of the Officer Recruitment Committee are the Immediate Past President and the Secretary, and other members appointed by the President.
 - (a) The chair is the Immediate Past President.
 - (b) Terms of the officers are set under Part IV, Section 4 of the Bylaws.
 - (c) Terms of other members are annual, with no limitation on the President to reappoint members for subsequent terms.
- (2) The duties of the Officer Recruitment Committee are:
 - (a) Receive nominations for elected officer positions.
 - (b) Interview candidates for elected officer positions.
 - (c) Assist the Commission in recruiting and processing nominations for elected Washington State Conservation Commission positions.

PART 3. Awards Committee.

- (1) Members of the Awards Committee are:
 - (a) The Secretary who shall serve as chair.
 - (b) Other members as determined by the President. The President is encouraged to consider appointing members representing the WSCC, WADE, and NRCS.

(2) The duties of the Awards Committee are:

(a) Review the nominations for each award and complete the ranking and selection process.

(b) The committee shall follow the procedures set forth below.

(3) WACD Sponsored Awards

(a) **Conservation District of the Year** (The annual District of the Year Award is selected from one of the six districts awarded the District Area of the Year Award as chosen by the Conservation Commission at the fall area meetings.)

(b) **Eugene Schloz Outstanding Supervisor Award** (Active district supervisors and associate supervisors who have made an especially valuable contribution to district conservation programs or to the state conservation movement.)

(c) **Conservation District/Tribal Partnership Award** (A conservation district and an Indian Tribe for creating a relationship that offers examples of regional conservation of natural resources for the betterment of all. The term "natural resources" is inclusive of healthy water, land, air, flora and fauna.)

(d) **Wayne Reid "Young Tiger" Award** (Any district supervisor or associate supervisor who has served as a supervisor or associate supervisor for six years or less at the time of nomination and has made an extraordinary effort to assist their district to meet its goals and objectives in a short period of time.)

(e) **Special Service Award** (Anyone who has provided assistance, paid or unpaid, on District sponsored projects including supervisors, associate supervisors, staff, volunteers, and agency staff who have made an outstanding achievement and contribution in the field of conservation.)

(f) **Vim Wright "Building Bridges" Award** (Any person who has worked within the arena of conservation to foster understanding, partnerships, and greater conservation through collaboration.)

(g) **Wildlife Farmer of the Year Award** (Wildlife Farmer of the Year award is for an owner, lessor/lessee, or manager who actively engaged in a farming, ranching or forestry business over 50 acres in size.)

(h) **Wildlife Steward of the Year Award** (Any conservation district cooperator who enhances wildlife habitat on their commercial or non-commercial farm and/ or forest smaller than 50 acres in size.)

(i) **Conservation Educator of the Year Award** (Any Washington State licensed instructor employed in Washington at a private or public institution is eligible. Grades K-12, college, technical, and trade school instructors are all eligible to receive this award.)

(4) The Board of Directors may bestow other awards, special recognitions, and commendations as they deem appropriate.

(5) The Board of Directors retains the authority to amend the list of awards and to stop the awards program at any time. The Board of Directors may add the award back onto the list with a majority vote.

SECTION 8. RESOLUTIONS

(a) Resolutions may be submitted to the Association by any conservation district, or Association committee, or by authorized task forces.

(b) Resolutions shall meet the following format criteria:

(i) The resolution is on a single topic that has regional, state or national significance.

(ii) The resolution specifies a desired outcome(s) and timeframe for action.

(iii) The resolution is consistent with the mission, goals (at least one) and strategic direction of the Association.

(iv) The resolution is achievable by the Association's or membership's staff and resources.

(c) Conservation districts submit their resolutions at the fall area meetings. If approved at an area meeting, the resolution goes to the annual Association conference for further consideration.

(d) All resolutions submitted to the Association shall be reviewed by the Executive Committee and then assigned by the Executive Committee to the appropriate permanent committee.

(e) Submitted resolutions shall be reviewed by the assigned permanent committee in advance of the business meeting at the annual Association conference. The permanent committees shall make recommendations on the assigned resolutions at the annual business meeting.

(f) Resolutions shall be processed and brought before the general assembly membership at the business session of the annual conference in accordance with Association committee operating policies and procedures.

(g) Resolutions approved by the membership shall remain in effect for five years, after which they shall sunset, unless adopted as a new resolution. Resolutions converted into Association policy or bylaws do not need to be reinstated as resolutions.

(h) Within 60 days of the annual conference, the Executive Director shall establish a tracking document that includes the title, source, description and status of each resolution adopted at the annual conference.

(i) Within 90 days of the annual conference, the Executive Director shall transmit applicable adopted resolutions to the Washington State Conservation Commission, the USDA Natural Resources Conservation Service, and to any other agency or organization to which resolutions apply or by which action is required.

(j) The Executive Director shall report on the status of adopted resolutions at the Association's Board of Directors meetings, at fall area association meetings, and at the annual Association conference.

(k) The National Director shall:

(i) Transmit applicable adopted resolutions to the National Association of Conservation Districts (NACD); and

(ii) At the quarterly meetings of the Board of Directors, report on the status of resolutions transmitted to or adopted by NACD.

(l) The Executive Committee may petition the Association Board of Directors for relief from action on an adopted resolution when it finds that it is beyond Association resources to accomplish the resolution, or when it finds that a resolution is in conflict with other resolutions or activities vetted with membership and underway by the Association.

(m) The Board of Directors may grant such relief and shall inform the source area(s) and authoring conservation district(s) of such action.

SECTION 9. RECORDS RETENTION

(1) It is the discretionary policy of WACD that the retention, storage, and archiving of its public records be done in a manner that is consistent with Chapter 40.14 RCW – Preservation and Destruction of Public Records.

(2) This policy and associated procedures are discretionary and advisory only and shall not impose any affirmative duty on WACD. WACD reserves the right to apply and interpret this policy within its sole discretion and to revise or change the policy at any time.

(3) All WACD employees shall annually review this policy and the associated procedures.

(a) For the purposes of this policy, “WACD records” means records that WACD creates and records that WACD receives or collects in connection with the transaction of its business.

(b) WACD records may be physical or electronic, including paper records, photographs, microfilm, e-mails, websites, blogs, digital photos, text messages, tweets, and any emerging technologies used to conduct WACD’s business.

(c) Some WACD records have high retention value and should be stored for several years, while other WACD records have short-term or no retention value.

(4) WACD shall retain, store, archive, and dispose of WACD records in a manner consistent with the Local Government Common Records Retention Schedule (CORE Schedule), available at <http://www.sos.wa.gov/archives/RecordsManagement/UsingtheLocalGovernmentCommonRecordsRetentionScheduleCORE.aspx>.

(5) WACD will not maintain records for other entities, such as its member conservation districts.

(6) This policy is secondary to any current records requests for specific WACD records and any legal hold notices for records in response to potential litigation. Sensitive and confidential data must be protected from disclosure in accordance with applicable federal and state law.

(7) The Executive Director of WACD shall designate a Records Officer who shall oversee WACD’s compliance with the state Public Records Act (PRA) and this policy. The Records Officer may delegate the responsibilities of processing requests to other staff. Accordingly, any reference in this Policy to the “Records Officer” means the Records Officer or applicable designee.

(a) The Records Officer shall provide full assistance to requestors, ensure that WACD’s records are protected from damage, disorganization, and improper disclosure, and prevent the fulfillment of any PRA request from causing excessive interference with WACD’s essential functions.

(b) The Executive Director, or designated Records Officer, shall maintain and administer this policy, including drafting any updates and changes to these policies and procedures.

(8) WACD records are available for inspection and copying during WACD’s normal business hours, which are Monday through Friday from 7:30 a.m. to 5:00 p.m., excluding legal

holidays. Records must be inspected at WACD's main office unless the requestor pays for copies as provided in this policy and in Chapter 42.56 RCW. Many commonly requested WACD documents are available on our website at www.wadistricts.org.

(9) WACD does not maintain records for its member conservation districts. WACD maintains only WACD records. If a requestor seeks the records of a WACD member, that request should be directed to the member. Similarly, requestors seeking to obtain records of government functions related to Chapter 89.08 RCW ("The Conservation Districts Law") should direct their requests to the Washington State Conservation Commission.

(10) RECORDS INDEX. WACD finds that it would be unduly burdensome and would interfere with WACD operations to maintain an index of records. WACD will make available for public disclosure all indices which may at a future time be developed for WACD use.

(11) See APPENDIX 5 in the Master Policy Manual for records retention procedures.

SECTION 10. BYLAWS

The following schedule shall generally govern the process for proposing changes to the Association's Articles of Incorporation and Bylaws:

(a) Before September 1, the Legislative, Bylaws and District Policies (LBDP) Committee shall convene as often as necessary to consider and agree on recommended changes to the Articles or Bylaws or both.

(b) Not later than mid-September, the LBDP Committee shall forward its recommended changes to each Area so that district supervisors have an opportunity to review the recommendations in advance of the October Area meetings.

(c) In October, the recommendations should be discussed at the Area meetings and input provided to the LBDP Committee.

(d) Prior to the agenda mailing deadline for the November meeting of the Board of Directors, the LBDP Committee shall finalize its recommendations to the Board.

(e) The Board of Directors shall consider the recommended changes. Any changes supported by the Board shall be forwarded to the full membership for action consideration at the business meeting at the annual conference.

CHAPTER 2: FINANCES AND BUDGETING

SECTION 1. ANNUAL BUDGET PROCESS

(1) An annual budget shall be approved by the Board of Directors by June 30 for the ensuing fiscal year beginning on July 1.

(2) Preceding annual budget approval the Finance Committee shall forward to the Executive Committee a recommended budget not later than three weeks before the June meeting of the Board. The Finance Committee shall work with staff in the Olympia and Bow locations to develop the budget recommendation, as well as with the Plant Materials Center Committee.

(3) The Executive Committee shall review the draft budget recommended by the Finance Committee prior to the distribution of the Board agenda, with the budget proposal, not later than two weeks before the June Board meeting [distribution deadline under Part IX, Section (3)(b) of the Bylaws.]

SECTION 2. AUDITS

At least every six years the Association shall contract for a full audit of the organization.

SECTION 3. INVESTMENTS

(1) The purposes of the investments program are to contribute toward:

- (a) Meeting the needs of day to day operations of the Association;
- (b) Providing adequate resources to maintain the Plant Materials Center;
- (c) Replacing and maintaining essential equipment;
- (d) Providing sufficient reserves to protect the Association against unforeseen economic emergencies; and
- (e) Providing financial support for special issues that is beyond the means of the annual operating budget.

(2) (a) The primary objective of the investments program is the preservation of capital to ensure that sufficient funds are available to meet the organization's needs.

(b) A secondary objective is to maximize return through prudent management of funds to maintain and build reserves.

(3) To achieve these purposes and objectives, the investment account will incorporate three tiers of safety, liquidity and yield criteria:

(a) Operating Investments (Current Assets) – needed within one year for operations will be available without penalty. Investments will be safe and liquid. Amounts and maturities will be matched to annual operations with staggered maturities not to exceed one year.

(b) Reserve Investments (Long Term Investments) - to provide a liquid reserve above and beyond the need for cash operations. The investment priorities will provide a balance of safety, liquidity and yield, with staggered maturities, not to exceed 3 years.

(4) (a) The Finance Committee will recommend to the Board of Directors reserve account policies for operations and special projects. The Finance Committee shall recommend to the Board of Directors the establishment of a new Executive Operations Reserve Account.

(b) The Finance Committee shall annually review the ceiling levels for the identified reserve accounts and make recommendations to the Board of Directors for adjustments.

(c) The reserve accounts are:

(i) Operating Reserve Account;

(ii) Retained Earnings Reserve Account;

(iii) Capital Reserve/Depreciation Account; and

(iv) Executive Operations Reserve Account.

(5) Deposits and withdrawals as approved by the Finance Committee, with authorization of the Board of Directors, shall be credited to the identified reserve account. Investments may be made in the aggregate and do not need to be segregated by the identified reserve accounts.

(6) The Association may retain one or more investment counselors to manage investment funds as recommended by the Finance Committee and approved by the Board of Directors. Such counselors shall be subject to periodic performance reviews and shall report annually to the Finance and Executive Committees on the investment portfolio.

SECTION 4. FUNDS

PART 1. Legal Assistance Fund. (1) The Association declares that it is in the interest of conservation districts and their Association that a fund be established and maintained on a more permanent and contingency basis, to provide assistance in supporting legal representation and costs for conservation districts and/or the Association on matters that have a statewide impact on conservation district operations or conservation district governance. This fund shall be named the WACD Legal Assistance Fund.

(2) To obtain moneys for the WACD Legal Assistance Fund (Fund), the Association shall solicit funds from all conservation districts. Moneys received shall be placed into the Fund not to exceed \$50,000 at any time but may be combined with other WACD long-term investments or reserve accounts as determined by the Board of Directors, based on recommendations from the Finance Committee. When the fund balance drops below \$10,000, the Association shall solicit funds from all conservation districts.

(3) Funds shall be drawn and expended by the Association's Executive Committee only as directed on a case-by-case basis by the Board of Directors, after input from the Finance Committee, and based upon a determination by the Board of Directors of the following:

(a) That legal representation for the Association is required to respond to a legal case or lawsuit that threatens a statewide impact to the operation or governance of conservation districts;

(b) That legal representation is required for one or more conservation districts to respond to a legal case or lawsuit that threatens a statewide impact to the operation or governance of conservation districts; or,

(c) That costs for legal representation already incurred by one or more conservation districts warrant limited financial support by the Association where a legal case or lawsuit of previously localized nature grows to threaten a statewide impact to the operation or governance of conservation districts.

(4) The Board of Directors shall specify the maximum amount and duration of funds to be drawn and expended by the Executive Committee. The Treasurer shall approve all invoices for payment from the WACD Legal Assistance Fund and shall report same to the Board of Directors.

PART 2. Leadership Development Fund. (1) The Leadership Development Fund is maintained in a separate Association accounting category. Monies in the fund are expended pursuant to determinations made by the Board of Directors.

(2) Monies in the Leadership Development Fund may be used for:

- (a) Levels 1 and 2 of the supervisor leadership development program;
- (b) Special leadership training programs or events;
- (c) Conservation district technical employee training and certification; and
- (d) Other purposes identified by the Board of Directors.

(3)(a) Contributions for this fund are solicited from conservation districts (and others as part of annual meeting registration or other venue), from grants, from reserve funds as determined by the Board of Directors, and from other sources.

(b) Moneys received are maintained in a separate Association budget and accounting category and are expended in accordance with determinations made by the Board of Directors.

SECTION 5. RESERVE ACCOUNTS

PART 1. Operating Reserve Account. (1) The purpose of this account is to allow the Plant Materials Center to continue to operate during difficult financial times. This reserve account may be used for:

- (a) Maintaining current level of PMC operations while addressing long-term solutions to potential operating problems.
- (b) Maintaining current level of PMC operations in the event of a crop failure.
- (c) Maintaining the ability to fund the Executive Operations predefined annual allocation with the Retained Earnings Reserve Account.

(2) The Operating Reserve Account will be no less than 6 months (minimum) and no more than 12 months (maximum) of the annual operating budget of the PMC. The Operating Reserve Account will be reviewed annually by the Finance Committee to assure the organization is in compliance with this policy.

PART 2. Capital/Depreciation Reserve Account. (1) The purposes of this account are:

- (a) Provide long-term capital investment projects for the PMC or any other large and anticipated expense(s) that will be incurred in the future. This account is intended to ensure that the PMC has adequate funding to at least partially finance the project; and

(b) Provide for the replacement cost of equipment that is accumulated each year over the life of the asset.

(2) The Capital/Depreciation Reserve Account will be no less than 3 years (minimum) and no more than 6 years (maximum) of the annual capitalization replacement budget. The Capital/Depreciation Reserve will be reviewed annually by the Finance Committee to assure the organization is in compliance with this policy.

PART 3. Retained Earnings Reserve Account. (1) The purposes of this account are to:

(a) Fund the dedicated annual transfer allocation to the Executive Operations account in the event there is insufficient income to cover the transfer allocation; and

(b) Allow the PMC to create growth opportunities, such as research and development on new species. Expenditures from the account under this subsection shall be approved by the Board of Directors based on a recommendation from the Finance Committee.

(2) The Retained Earnings Reserve Account will be equivalent to the dedicated annual transfer allocation to the Executive Operations Reserve. The Retained Earnings Reserve Account will be reviewed annually by the Finance Committee to assure the organization is in compliance with this policy.

PART 4. Executive Operations Reserve Account. (1) There is hereby established a WACD Executive Operations Reserve Account. This account shall be an unrestricted fund balance account. This account is separate from and in addition to the Retained Earnings Reserve Account.

(2) This account may be used for purposes identified by the WACD Board of Directors. Authorized purposes may include but are not limited to: contracting with an executive search recruiter and providing relocation assistance support for the Executive Director upon hire.

(3) (a) The Executive Director, after conferring with the Executive Committee, is authorized to expend funds from the account for any of the purposes identified by the WACD Board.

(b) The WACD Treasurer, in the absence of an Executive Director and after conferring with the Executive Committee, is authorized to expend funds from the account for any of the purposes identified by the WACD Board.

SECTION 6. ORGANIZATIONAL INSURANCE

(1) WACD shall carry organizational insurance, at a minimum covering property and assets.

(2) It shall be the responsibility of the Executive Director to assure that the organization has insurance coverage and that it be reviewed at least every three years.

SECTION 7. TRAVEL AND OTHER EXPENSE REIMBURSEMENT

It is the policy of the Association to reimburse only reasonable and necessary expenses incurred by personnel, and that reimbursement requests are submitted and processed in a timely manner to facilitate proper budget management and accounting procedures. When incurring business expenses, personnel are expected to promptly report actual expenses, supported by required documentation.

PART 1. Expense Report. Expenses shall not be reimbursed unless the individual requesting reimbursement submits a written Expense Report within 30 days of the completion of travel. Exceptions to the 30-day requirement are outlined below under subsection (7) of PART 2 of this policy, Special Considerations. The Expense Report must include:

- (a) The individual's name
- (b) Date, origin, destination and purpose of the trip
- (c) The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct Association business).
- (d) Receipts are required for all expenditures billed directly to the Association, such as airfare, registration and lodging.
- (e) The Association pays **per diem rates** for meals only.
- (f) Individuals will be reimbursed for mileage at the current Washington State mileage reimbursement rate issued by the state Office of Financial Management.
- (g) Completed expense reports will be mailed to the WACD Bookkeeper.
- (h) All submitted expense reports will be reviewed by WACD's Bookkeeper for reasonableness of expenses claimed prior to issuing a check within 30 days of the event.
- (i) Checks are signed pursuant to Chapter 1, Section 2 of the Master Policy Manual.

PART 2. General Travel Requirements. (1) Personal and Spousal Travel Expenses.

Individuals traveling on behalf of the Association may incorporate personal travel or business with their company-related trips. However, individuals shall not arrange Association-related travel at a time that is less advantageous to the Association. Any additional expenses incurred as a result of personal travel, including but not limited to extra hotel nights, additional stopovers, additional mileage, meals or transportation, are the sole responsibility of the individual and will not be reimbursed by the Association. Expenses associated with travel of an individual's spouse, family or friends will also not be reimbursed.

(2)(a) Air Travel. Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. The Association will reimburse or pay only the cost of the lowest coach class fare available for direct, non-stop flights from the airport nearest the individual's home or office to the airport nearest the destination.

(b) Saturday Stays. Individuals traveling on behalf of the Association are not required to stay over Saturday nights in order to reduce the price of an airline ticket. An individual who chooses to stay over a Saturday night shall be reimbursed for reasonable lodging and meal expenses incurred over the weekend to the extent the expenses incurred do not exceed the difference between the price of the Saturday night stay ticket and the price of the lowest price

available ticket that would not include a Saturday night stay. To receive reimbursement for such lodging and meal expenses, the individual must supply, along with the Expense Report, documentation of the amount of the difference between the price of the Saturday stay and non-Saturday stay airline tickets.

(3) Frequent Flyer Miles and Compensation for Denied Boarding. Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

(4) Lodging. Individuals traveling on behalf of the Association may be reimbursed at the single room rate for the reasonable cost of lodging accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Individuals shall make use of available corporate and discount rates for lodging. "Deluxe" or "luxury" lodging rates will not be reimbursed. Travel must be beyond 50 miles from the individual's home location in order to be eligible for lodging reimbursement, unless meeting the requirements of subsection (7) of this section, Special Considerations.

(5) Meals. Individuals traveling on behalf of the Association are reimbursed for the reasonable and actual cost of meals excluding tips. Convention, tour or related meals that are included as a part of a social event are eligible provided that the meal is an official part of the registration fee for that social event listed in travel registration materials, unless the registration fee is reimbursed by the Association.

(6) Ground Transportation. Individuals traveling on behalf of the Association are expected to use the most economical ground transportation appropriate for the circumstances.

(a) Courtesy Cars – Lodging venues that have courtesy cars, which will take you to and from the airport at no charge should be used by individuals traveling on behalf of the Association.

(b) Airport Shuttle or Bus – Airport shuttles or buses generally travel to and from all major lodging venues for a small fee. Individuals traveling on behalf of the Association should consider this alternative, if less expensive than another option, such as a taxi.

(c) Taxis – When courtesy cars and airport shuttles are not available, a taxi may be the most economical mode of transportation between an individual's home and the airport, or within travel destination local environs. Individuals traveling on behalf of the Association should consider using a taxi when the trip is for limited time and minimal mileage is involved.

(d) Rental Cars - Individuals traveling on behalf of the Association will be allowed to rent a car while out of town, provided that the cost is less than other available alternative methods of transportation.

(e) Personal Cars - Individuals traveling on behalf of the Association are compensated for use of their personal cars when used for Association business, including travel to and from the airport. Mileage will be allowed at the current Washington State mileage reimbursement rate (determined by the state Office of Financial Management).

(f) Parking/Tolls - Parking and toll expenses, including charges for lodging parking, incurred by individuals traveling on Association business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the individual and will not be reimbursed. On-site airport parking is permitted for short, Association related trips. For extended trips, individuals should use off-airport facilities.

(7) Special Considerations. (a) Exceptions to the 30-day requirement for submittal of the reimbursement Expense Report include:

(i) Payment of certain eligible reimbursement expenses by another party (e.g., State Conservation Commission, local conservation district), where expense determinations or reimbursement payments may be delayed by the other party, and where payment or partial-payment by another party may reduce costs to the Association;

(ii) Credit card or personal billing cycles out of synchrony with dates of travel completion, plus 30 days; and,

(iii) Illness or unavoidable personal delay.

(b) Special considerations notwithstanding, travel expenses shall not be reimbursed where a request is submitted beyond 90 days of completion of travel.

(c) Exceptions to the 50-mile lodging reimbursement eligibility requirement shall be determined by the Executive Director.

PART 3. Shared Travel Reimbursements. (1) The Association recognizes that individuals will incur travel expenses to attend certain events where another party (e.g., State Conservation Commission, local conservation district) will have responsibility to share in reimbursement of expenses. These circumstances may include:

(a) WACD Annual Meeting where the Board of Directors and/or Executive Committee meeting precedes the event, and where the local conservation district is responsible to cover remaining expenses. (In this example, eligible Association expenses may include mileage to/from meeting location and one night's lodging.);

(b) WADE training conference where the Board of Directors and/or Executive Committee meeting precedes the event, and where the local conservation district is responsible to cover remaining expenses;

(c) WACD Legislative Days where the Board of Directors and/or Executive Committee meeting precedes the event, and where the local conservation district is responsible to cover remaining expenses;

(d) Area Association meetings;

(e) State Conservation Commission tours and meetings;

(f) National Association of Conservation Districts meetings; and,

(g) Other special Association meetings or business scheduled to coincide with other non-Association meetings and events to reduce overall costs.

(2) Where these events occur, the Association shall be responsible for reimbursing expenses for only that portion of travel resulting from Association related duties. Individuals are responsible for seeking reimbursement from other parties for other expenses for that event.

(3) For purposes of this section, the President is always eligible for reimbursement of expenses resulting from travel representing the Association. The Association may accept cases where another party reimburses travel expenses for the President or other individuals carrying out Association or related business.

PART 4. Non-Reimbursable Travel Expenditures. The Association maintains that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such

expenses are inappropriate for reimbursement by a nonprofit organization. Expenses that are not reimbursable include, but are not limited to:

- (a) Travel insurance
- (b) First class tickets or upgrades
- (c) When lodging accommodations have been arranged by the Association and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by the Association.
- (d) Reimbursement shall not be made for transportation between the alternate lodging and the meeting site.
- (e) Limousine travel.
- (f) Movies, liquor or bar costs.
- (g) Membership dues at any country club, private club, athletic club, golf club, tennis club or similar recreational organization.
- (h) Participation in or attendance at golf, tennis or sporting events.
- (i) Spa or exercise charges.
- (j) Clothing purchases.
- (k) Valet service.
- (l) Car washes for vehicles not owned by the association.
- (m) Expenses for spouses, friends or relatives. If a spouse, friend or relative accompanies the individual, it is the responsibility of the individual to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.

PART 5. Use of Association Corporate Credit Card. (a) Association officers and directors may be included in use of the corporate credit card by Association staff for meals and other expenses when conducting official Association business, as an acceptable alternative to after-the-fact reimbursement procedures. Other persons are not to be included in a charge using the corporate credit card.

(b) Other persons in attendance with officers and directors may be included in a corporate credit card charge when they are considered to be an integral part of Association business activities, at the direction of the President, or at the discretion of the Executive Director. Receipts shall be retained as specified in the Association's Employee Policy and Procedures Manual. In those instances where, at the direction of the President or the discretion of the Executive Director, other persons' charges are included on the corporate card, a written notation is to be made on the receipt recording the name(s) of the other individual(s) and their part in the Association business activity.

SECTION 8. BOARD OF DIRECTORS TRAVEL REIMBURSEMENT ELIGIBILITY

PART 1. Official Director Duties and Eligible Expenses. (a) Official duties of directors are outlined in Association Bylaws, Article VIII, inclusive of Officers' responsibilities under the Bylaws, Article X.

(b) All specifically listed director activities are eligible for reimbursement, except where specified in writing by the President as not eligible for reimbursement.

PART 2. Insufficient Funds Provision. (a) Where sufficient funds are not available to cover the full costs for reimbursement of eligible director expenses, the Association's Executive Committee, if authorized by the Board of Directors, shall set priorities for reimbursement, and shall identify which expenses, or which duties, shall not be fully reimbursed. Duties incurring actual travel and lodging expenses for directors associated with Board of Directors meetings shall take priority for reimbursement.

(b) The Executive Committee, if authorized by the Board of Directors, may limit the reimbursement amount for eligible expenses to a percentage of actual expenses, or may specify a cap or maximum reimbursement amount to be shared among directors taking part in an official duty and seeking reimbursement.

(c) The Executive Director shall inform directors of any enacted restrictions on travel reimbursement prior to meetings of the directors of the Association, and Association staff shall remind directors of any enacted restrictions when distributing reimbursement application forms to directors.

(d) Teleconferences or other reduced-cost measures may be used to conduct Board of Directors meetings where cost-savings is required due to insufficient funds.

SECTION 9. MILEAGE AND EXPENSE REIMBURSEMENT – EMPLOYEES

(a) Employees who are authorized to use their cars for WACD business will receive reimbursement of mileage equal to the current Washington State rate.

(b) Reimbursement requires the employee to submit an expense reimbursement form to the Bookkeeper. Approved expenses incurred by an employee will be reimbursed at the end of each month. Meals will be reimbursed with submittal of copies of receipts based on actual costs if using the company credit card.

(c) Employees' personal insurance, which must carry liability coverage, is in force any time the employee's personal vehicle is used for WACD business.

SECTION 10. COMPANY VEHICLES

(1) WACD-owned vehicles or those rented by the WACD are for work only and may not be used for personal business.

(2) Only WACD Employees and Board Members are authorized to drive WACD owned or rented vehicles.

(3) WACD Board members and employees may designate someone as their representative to drive with prior notification to the Executive Director.

SECTION 11. CASH RECEIPTS AND DISBURSEMENTS

PART 1. Cash Receipts. (a) Someone other than the Bookkeeper will open the mail. When opening the mail, a separate cash receipt record should be prepared.

(b) PMC and Executive Operations receipts will be kept separate. The checks will be stamped on the back and recorded prior to giving to the Bookkeeper. The checks will then be given to the Bookkeeper who will record them in a receipt book. A copy of the receipt and check will then be stapled to the invoice and filed. Copies of the check and the deposit slip are to be filled in a separate notebook. The cash receipt from the bank shall be stapled to the carbon copy in the deposit book.

(c) The cash receipt record should be compared monthly with the actual cash deposits listed on the bank statement for each account.

PART 2. Cash Disbursements. (a) The “Nursery Manager” ensures that the signatories are officially listed on the PMC checking account. The number of required signatures on each check is governed by the signatory policy under Chapter 1, Section 2 of this manual.

(b) Only account signers with approval of the WACD Board can authorize bank transfers.

(c) The Plant Materials Center Nursery Manager, or designee approved by the Executive Director, is authorized to disburse funds up to the budget without WACD Board approval. Pre-approval from the Board of Directors is required for any expenditure beyond the budget.

(d) The Board of Directors authorizes the Executive Director, after consultation with the Finance Committee, the WACD Treasurer, and the WACD President, to approve purchases up to \$100,000 within the parameters of the approved annual budget or reserve accounts.

SECTION 12. ACCOUNTS PAYABLE

(1) All purchases require a receipt. The receipt is coded and given to the Bookkeeper. When an invoice is received, each item on that invoice is checked for a corresponding receipt, packing slip, delivery slip or some other authorization that the service or product has been received or performed. These receipts are stapled to the bill or statement.

(2) The invoice is then entered into the computer. When entered into the computer, close attention is paid to the invoice date, invoice number, due date, terms, and account code (expense category). Once the invoice is entered into the accounting system, the invoice is filed.

(3) When an invoice is paid; the bottom third of the check is removed and attached to the invoice. If multiple invoices are paid on one check, all invoices will be attached to the check stub. The check is stapled to the invoice(s) with all supporting receipts or documents when it is presented for signature.

(4) Once checks have been signed and attached to the supporting documents, they are in vendor files.

SECTION 13. PMC DEPOSITS, INVENTORY AND SALES

PART 1. Customer Deposits on Plants. (1) The Bookkeeper will design and maintain a spreadsheet to track all deposits in an account for customer deposits on plants.

(2) The Bookkeeper will reconcile to the general ledger no less than monthly, along with all other monthly closing procedures.

PART 2. Inventory. (1) The Sales Manager will count the plants growing in the field to maintain an availability list of estimated numbers to generate sales. Once the plants are harvested and counted, they are recorded on the harvest worksheet and given to the Sales Manager.

(2) The Sales Manager will create a detail ledger to track the plants that are harvested and put into the cooler. Harvest numbers are entered the accounting program to ensure actual numbers are sold. When an order is ready to be shipped, a pick list is generated by the Sales Manager and given to the Shipping Supervisor. The filled pick list is then returned to the Sales Manager to debit those quantities from the cooler inventory ledger and make any inventory changes.

(3) The pick list is then given to the Bookkeeper who then invoices out the order with shipping costs and current sales tax.

(4) The bookkeeper and sales manager will regularly balance spreadsheets to verify that everything shipped was billed properly. The bookkeeper will prepare a comparison at the end of each season showing product harvested, product sold and product remaining.

(5) All seed received for planting is locked in a refrigerator with restricted access.

PART 3. Sales. (1) All write-offs on accounts receivable and customer accounts will require approval of the Board of Directors.

(2) The Board will review the accounts receivable general ledger at each meeting to verify that there have been no unauthorized credits to the Accounts Receivable general ledger account.

(3) Customer statements will be mailed monthly.

PART 4. Past Due Accounts – Passed due accounts shall be procedurally handled under Appendix 1. The Finance Committee will meet quarterly and will review all accounts that are 90+ days past due. If the Finance Committee determines that the account is uncollectible (180 days), a recommendation to write off the balance will be presented at the next Board of Directors meeting.

SECTION 14. FINANCIAL ASSISTANCE TO ORGANIZATIONS

The Executive Director may recommend to the Board of Directors that financial assistance be granted via memorandum of understanding to specified organizations if mutual educational, technical proficiency, or leadership benefits would result.

CHAPTER 3: EMPLOYMENT

SECTION 1. HIRING

PART 1. At Will Employment. (1) Employment with WACD is *at-will*. WACD or any employee of WACD may terminate the employment with or without notice and with or without cause. No agent or representative of WACD, other than the Executive Director and the Board of Directors has the authority to enter into any agreement of employment for any specified period of time, or to enter into an employment agreement that in any way modifies the *at-will* status of employment at WACD.

(2) Nothing contained in this handbook is intended to create an employment contract between WACD and any of its employees for any definite term of employment or for the provision of any benefits or procedures described herein.

PART 2. Equal Employment Opportunity. (1) WACD is an equal opportunity employer. WACD does not discriminate in employment decisions or policies in violation of law based on race, color, national origin, creed, religion, sex, age, marital status, physical or mental disability, sexual orientation, or status as a veteran. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, reduction in force, recall, transfer, leaves of absence, compensation, and training.

(2) Any employee who feels that he or she has been discriminated against in their work assignment, pay, or working conditions because of race, gender, color, national origin, creed, religion, sex, age, marital status, physical or mental disability, sexual orientation, veteran status, or any other characteristic protected by state, federal or local law, should report the incident immediately to the WACD Board designee or appropriate management staff.

(3) The Board of Directors shall designate a Board member to receive employee reports of discrimination.

PART 3. Nepotism. (1) Close family members (e.g., parents, children, spouses, siblings, significant others, or in-laws) will not be hired into, or transferred from, positions where they directly or indirectly supervise or are supervised by another close family member or significant other.

(2) The WACD Executive Director reserves the right to determine in all cases if a close relationship exists to prohibit a supervisory relationship. If the Executive Director is uncertain, she or he may seek counsel from the Executive Committee.

PART 4. Immigration Law Compliance. (1) In compliance with the United States Immigration and Reform Control Act of 1986, as most recently amended or consistent with most recent court interpretations, WACD is committed to employing only citizens of the United States and permanent residents with authorization to work in the United States.

(2) As a condition of employment, each new employee must properly complete, sign, and date the first section of the Immigration and Naturalization Service Form 1-9, Employment Eligibility Verification. Before beginning work, a newly re-hired employee must also complete Form 1-9 if they have not previously filed one with WACD, or if their previous Form 1-9 is over

three years old, or if their previous Form 1-9 is no longer valid. (Check to be sure these forms and procedures are current.)

(3) In accordance with the United States Immigration and Naturalization Service's requirements, WACD will require verification of employment eligibility by requesting appropriate documents that verify identity and eligibility for employment in the United States. Appropriate documents may include a United States passport; driver's license and social security card; voter's registration and social security card; driver's license and alien registration card (i.e., green card, Form I-551). All employees are required to submit this information within three days of their date of hire.

SECTION 2. EMPLOYMENT CONDITIONS.

PART 1. Anti-Harassment and Non-Discrimination. (1) WACD prohibits any form of unlawful harassment or discrimination in the workplace. Harassment or discrimination based on an individual's sex, status, ancestry, citizenship, race, color, national origin, religion, age, marital status, veteran's status, physical or mental disability, sexual orientation, or any other characteristic protected by state, federal or local law is unacceptable and will not be tolerated.

(2) Conduct that demonstrates mutual respect is expected of all employees in the workplace.

(3) Retaliation against any person who complains of harassment or discrimination in good faith, or who participates in an investigation in good faith, is also prohibited.

(4) Sexual harassment is one form of unlawful harassment. Sexual harassment can be, but does not have to be, "sexual" in nature. Rather, sexual harassment is harassment that would not occur but for the gender of the person to whom it is directed. Sexual harassment may include requiring a person's submission to, or rejection of, sexual advances and/or sexual harassment may alter that person's terms or conditions of employment. Sexual harassment also includes a sexually abusive, intimidating, hostile, or offensive work environment. Such an environment can be created by unwelcome sexual advances, requests for sexual favors, gender harassment, the display of sexually suggestive objects or pictures or emails, or any other verbal or physical conduct that would not exist but for the gender of the person at whom it is directed, and which has the effect of unreasonably interfering with an employee's work performance.

(5) Other conduct that will not be tolerated includes derogatory slurs, remarks or jokes about an individual's sex, race, color, national origin, religion, age, marital status, veteran's status, physical or mental disability, sexual preference, or any other characteristic protected by federal, state or local law.

(6) WACD is committed to complying with all laws in every area of employment, including recruitment, hiring, training, development, promotion, transfer, termination, layoff, compensation, benefits and all other conditions and privileges of employment. Any employee who engages in an unlawful discriminatory practice will be subject to disciplinary action, up to and including termination of employment. WACD has zero tolerance for any form of unlawful discrimination.

PART 2. Health and Safety. (1) The WACD is committed to providing a safe and healthy work environment for all employees. WACD asks that employees do their part to meet this commitment by consistently practicing safe working habits and exercising caution on the job.

(2) Employees are asked to report to the Executive Director, Nursery Manager or assigned supervisor, in a timely manner, any safety problems or unsafe working practices they observe.

(3) All accidents resulting in an injury must be reported to the Executive Director, Nursery Manager or assigned supervisor immediately, regardless of how insignificant the injury may appear. Reporting is necessary to comply with the law to initiate industrial injury and workers' compensation if necessary.

PART 3. Drug Free Work Place. (1) The unlawful manufacture, distribution, dispensing, possession or abuse of controlled substances in the workplace is prohibited. Notwithstanding state law on recreational and medical marijuana, use of marijuana that may impair the work performance of the employee or possibly put other employees at risk, is prohibited.

(2) Employees are required to report to the WACD Executive Director and Executive Committee, within five days, any criminal drug conviction for a violation that occurred in the workplace. Appropriate action will take place against employees convicted of a violation that occurs in the workplace. Appropriate action may include dismissal.

PART 4. No Smoking. In keeping with the WACD's commitment to provide a safe and healthy work environment, smoking is prohibited throughout the workplace, including: all production areas, bathrooms, breakrooms, conference rooms, offices, and employer-owned vehicles.

PART 5. Reduction-in-Force. (1) WACD defines reduction-in-force as a separation from employment due to lack of funds, lack of work, redesign or elimination of position(s) or reorganization, with no likelihood or expectation that the employee will be recalled because the position itself is eliminated.

(2) When a reduction-in-force occurs, it is a separation from service without cause on the part of the employee.

(3) The WACD Board or their designees reserve the right to perform a reduction-in-force as deemed necessary under the above definition.

(4) The Executive Director shall recommend to the Board for approval procedures for implementing a reduction-in-force action.

SECTION 3. CLASSIFICATIONS AND COMPENSATION

PART 1. Employee Classifications. (a) All management and some technical/professional employees are considered exempt employees and are excluded from specific provisions of federal and state wage and hour laws. Employees who are not classified as exempt are classified as non-exempt and are subject to provisions of the Fair Labor Standards Act (FLSA). Non-exempt employees need to be aware of WACD's policies and procedures on overtime/exchange time.

(b) In addition to exempt and non-exempt categories, each employee will belong to one of the following employment categories:

(i) Regular full-time: An employee who is normally scheduled to work a standard forty (40) hours or more each work week. Generally, a regular full-time employee is eligible for WACD's benefits package, subject to the terms, conditions, limitations and eligibility requirements of each benefit program.

(ii) Regular part-time: An employee who is normally scheduled to work less than forty (40) hours per week, but at least twenty (20) hours per week. Regular part-time employees may be eligible for some benefits offered by the WACD, subject to the terms, conditions, limitations and eligibility requirements of each benefit program.

(iii) Temporary: An employee who is hired for a specific period of time and is not expected to establish a continuity of service. It is expected that a temporary employee should not remain in temporary job status longer than twelve (12) months and generally is not eligible for benefits offered by the WACD.

PART 2. Exchange Time for Exempt Employees. Exempt employees working more than 40 hours a week may accrue exchange time that can be used at a later date. Exchange time must be used in the calendar year that it was accrued and no more than 40 hours exchange time may be used during a given pay period. No more than 120 hours of exchange time may be accrued in a calendar year.

PART 3. Overtime for Non-Exempt Employees. (1) Non-exempt employees will be paid overtime for hours worked more than 40 hours per week. The work week starts on Monday. Non-exempt employees must obtain approval from their supervisor or manager prior to working the overtime hours. Failure to obtain prior approval for overtime hours may result in disciplinary action, up to and including the termination of employment.

(2) The Fair Labor Standards Act (FLSA) requires that covered, nonexempt employees be paid at least the Federal minimum wage for each hour worked and receive overtime pay at one and one-half times the employee's regular rate of pay for all hours worked over 40 in a workweek. FLSA overtime pay is due on the regular pay day for the period in which the overtime was worked. The overtime pay requirement may not be waived by agreement between the employer and the employee. The overtime pay requirement cannot be met through the use of compensatory time off (comp time) except under special circumstances applicable only to state and local government employees. The Act requires that employees must receive at least the minimum wage and may not be employed for more than 40 hours in a week without receiving at least one and one-half times their regular rates of pay for the overtime hours.

(a) The first 40 hours of work each week are referred to as "regular time" hours, and all other hours are referred to as "overtime hours." Overtime is based on actual hours worked. Even though the total hours (work hours, plus holiday, vacation, or sick pay) for the week might exceed 40, overtime pay is not required unless the worker worked more than 40 hours in a 7-day period.

(b) Where an employee is paid by the hour, overtime pay is calculated by:

(i) Determine the "Regular Rate of Pay. The first step is to identify the "**Regular Rate of Pay.**" This is the gross hourly rate at which the employee is paid for his/her normal work hours.

(ii) Determine the "Overtime Rate of Pay. The next step is to determine the "**Overtime Rate of Pay.**" This is done by simply multiplying the employee's Regular Rate of Pay by 1.5. The resulting product is the "overtime rate of pay.

(iii) Determine the Amount of Overtime Pay That is Due. The amount of overtime pay that must be provided is determined by multiplying the employee's overtime rate of pay by the total number of overtime hours that were worked. This results in the employee's **Gross Overtime Wages.**

PART 4. Compensation Types.

Subpart 1. Cost of Living Adjustment (COLA). (1) Each year, the WACD Board of Directors will determine if a COLA will be applied to each employee salary. In making this determination the Board may take into consideration any recommendations from the Finance Committee and the PMC Committee.

(2) The baseline reference point for COLA determinations shall be the Consumer Price Index (CPI) for Mt. Vernon/Anacortes and Olympia/Tumwater, reflecting the cost-of-living differences between these WACD employee work locations.

(3) Board approved COLAs will generally start the first day of the new fiscal year.

Subpart 2. Performance-Based Salary Increases. (1) Performance-based salary increases may be considered as recommended by the performance reviewer. The recommended salary increase must be supported by the predicted budget for the upcoming year and must be approved by the WACD Board of Directors. Performance-based salary increases are usually effective July 1 of each year unless special factors support a mid-year increase.

(2) The Executive Director will evaluate, or facilitate evaluation, of each WACD employee as part of an annual performance review.

(3) The WACD Executive Committee will evaluate the Executive Director annually as part of a performance review and report its findings to the Board.

(4) The annual performance review is to be as a formal interaction between the employee and supervisor. The purpose is to identify in detail the strengths and weaknesses of the employee's performance the preceding year, as well as identify opportunities for training and professional growth.

(5) The performance review and any follow-up actions shall be documented and placed in the employee's personnel file. The employee will acknowledge their participation in the performance review by his/her signature at the culmination of the review process.

Subpart 3. Bonuses. (1) The Board of Directors shall determine annually whether WACD employees may be paid a bonus. This determination must take into consideration:

(a) The budget status of the Association, including both Executive Operations and the Plant Materials Center; and

(b) Whether the IRS's 12-Factor Test of Compensation is satisfied.

(2) Positive answers to subsection (1) and (2) above do not guarantee that the Board will decide to award a bonus in any given year. The Board's decision is final.

PART 5. Payroll Periods. (1) The Bookkeeper will make sure that all employee files are up to date, including a current W-4, I-9, emergency information sheet, and any other required information.

(2) Time sheets will be kept current.

(3) Pay periods will be twice a month:

(a) The first pay period begins the first day of the month and extends through the 15th of the month.

(b) The second pay period begins on the 16th of each month and extends to the last calendar day of each month.

(4) Paydays. (a) Time sheets will be certified (initialed) by the assigned timekeeper on the last workday of each pay period or as soon thereafter as possible.

(b) Checks will be issued (dated and signed) within 2 workdays following the last day of the pay period.

(c) Checks will be available for employees within three (3) workdays following the last day of each pay period.

PART 6. Payroll Deductions. (1) Federal and state laws require certain deductions from every employee's compensation, including Federal income taxes, Social Security taxes (FICA), and State of Washington Industrial Insurance.

(2) Social Security taxes are deducted on each employee's earnings up to a specified limit that is called the Social Security wage base. WACD matches the amount of Social Security taxes paid by each employee.

SECTION 4. BENEFITS

PART 1. Leave.

Subpart 1. Vacation Leave. (1) All regular, full-time employees are eligible for paid vacation according to the guidelines set forth below. Part-time employees accrue vacation time on a pro-rated basis. Temporary employees are not eligible for vacation leave.

(2) Vacation leave for full-time employees will accumulate at the following rate:

<u>Continuous Service</u>	<u>Monthly Rate</u>	<u>Annual Rate</u>
Less than 5 years	8 hours per month	96 hours
*5 – 10 years	10 hours per month	120 hours
11 years and more	12 hours per month	144 hours

*Please note for those current (as of 5/2011) employees who have more than 5 but less than 10 years of service as of the date of this revision (5/11) AND have operated under the original policy of providing 12 hours per month with 5 or more years of service will be grandfathered in under this new policy.

(3) Employees hired in mid-month shall accrue one hour for every three (3) full days worked during their first month of employment. Vacation leave may be used in one-hour increments only.

(4) Employees may accumulate up to no more than 240 hours of vacation leave at the end of a calendar year. Employees are strongly encouraged to take earned paid leave during the benefit year. In the event that employees do not use all their vacation benefits by the end of the calendar year, 240 hours may be carried over to the next year. Time accrued in excess of 240 hours will be forfeited at the end of the calendar year. Upon termination of employment, employees will be paid for vacation leave that has been carried forward from the past calendar year (not to exceed 240 hours) plus all vacation leave accrued within the current calendar year.

Subpart 2. Sick Leave. WACD provides sick leave benefits to all employees for period of temporary absences due to illness or injuries. Unused sick leave will accumulate from year to year. Upon termination of employment, employees will not be paid for any unused sick leave that has accrued through their last day of work. If an employee is hurt on the job, State Industrial Insurance will cover the injury. In that case, sick leave cannot be used in conjunction or accumulated.

Subpart 2.1. Paid Sick Leave Accrual.

(a) Part-time or seasonal employees accrue one hour of paid sick leave for every 40 hours worked.

(b) Full time employees accrue 8 hours of paid sick leave every month.

(c) Employees are not entitled to accrue paid sick leave for hours paid while not working (such as vacation, paid holidays, or while using paid sick leave).

Subpart 2.2. Availability.

(a) Part-time or seasonal employees are entitled to use their accrued, unused paid sick leave beginning on the 90th calendar day after the start of their employment.

(b) Full-time employees can begin using sick leave once sick leave has accrued.

Subpart 2.3. Authorized Uses of Paid Sick Leave

(1) Employees may use their accrued, unused paid sick leave hours to care for themselves or a *family member* (definition below) for:

(a) Mental or physical illnesses, injuries, or health conditions;

(b) The need for medical diagnosis, care, or treatment of mental or physical illnesses, injuries, or health conditions; or

(c) The need for preventative medical care.

(2) For the use of paid sick leave for an employee's family member, family member is defined as:

(a) Child - Including a biological, adopted, or foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;

(b) Parent - Including a biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child;

(c) Spouse;

(d) Registered domestic partner;

(e) grandparent;

(f) Grandchild; or

(g) sibling.

Subpart 2.4. Closure of the company or the employee's child's school or place of care.

(a) Employees may use their accrued, unused paid sick leave when WACD has been closed by order of a public official for any health-related reason; or

(b) When an employee's child's school or place of care has been closed by order of a public official for any health-related reason.

Subpart 2.5. To address issues related to domestic violence, sexual assault, or stalking.

(1) Employees may use their accrued, unused paid sick leave to:

(a) Seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee and their family members including, but not limited to: Preparing for, or participating in, any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault, or stalking;

(b) Seek treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault, or stalking;

(c) Attend health care treatment for a victim who is the employee's family member;

(d) Obtain or assist the employee's family member(s) in obtaining services from: A domestic violence shelter; a rape crisis center; or a social services program for relief from domestic violence, sexual assault, or stalking.

(e) Obtain, or assist a family member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault, or stalking in which the employee or the employee's family member was a victim of domestic violence, sexual assault, or stalking.

(f) Participating, for the employee or for the employee's family member(s), in: safety planning; or temporary or permanent relocation; or other actions to increase the safety from future incidents of domestic violence, sexual assault, or stalking.

For purposes of leave related to domestic violence, sexual assault, or stalking, family member has the following definition:

(2) Any individual whose relationship to the employee can be classified as a child, spouse, parent, parent-in-law, grandparent, or person with whom the employee has a dating relationship.

Subpart 2.6. Reasonable Notice for the Use of Paid Sick Leave.

(1) Employees must provide reasonable notice of an absence from work for the use of paid sick leave to care for themselves or a family member, or because the employee's child's school or place of care is closed by order of a public official for any health-related reason. Such

notice must not interfere with an employee's lawful use of paid sick leave. Any information provided will be kept confidential.

(2) Verification may be required if an employee uses paid sick leave for more than three consecutive days for which the employee was required to work.

Subpart 2.7. Reasonable Notice for Foreseeable Use of Paid Sick Leave.

(1) If an employee's absence is foreseeable, seasonal employees must provide notice either to Seasonal Worker Coordinator at least 5 days, or as early as practicable, before the first day paid sick leave is used. Full-time staff shall provide notice at least 5 days or as early as practicable to their immediate supervisor.

(2) WACD may request that the employee submit an Employee Notice for Use of Paid Sick Leave form.

(3) If possible, notification should include the expected duration of the absence.

Subpart 2.8. Reasonable Notice for Unforeseeable Use of Paid Sick Leave

(1) If an employee's absence is unforeseeable, seasonal employees must contact the Seasonal Worker Coordinator as soon as possible before the required start of their shift. Full-time staff shall report to their immediate supervisor.

(2) As a best practice, and if circumstances allow, employees should provide notice as soon as the employee learns of the need for paid sick leave.

(3) In the event it is not practicable to provide notice of an unforeseeable absence, a person on the employee's behalf may provide such notice.

(4) If possible, this notification should include the expected duration of the absence.

(5) WACD may request the employee submit an *Employee Notice for Use of Paid Sick Leave* form on the day of the employee's return from paid sick leave.

Subpart 2.9. Reasonable Notice for Use of Paid Sick Leave for Domestic Violence Leave.

Seasonal employees must give advance oral or written notice to the Seasonal Worker Coordinator as soon as possible for the foreseeable use of paid sick leave to address issues related to the employee or the employee's family member being a victim of domestic violence, sexual assault, or stalking. Full-time staff shall report to their immediate supervisor.

Subpart 2.10. Reasonable Notice for Unforeseeable Use of Paid Sick Leave

(1) If an employee is unable to give advance notice because of an emergent or unforeseen circumstance related to the employee or the employee's family member being a victim of domestic violence, sexual assault, or stalking, the employee or their designee must give oral or written notice to Seasonal Worker Coordinator no later than the end of the first day that the employee takes such leave. Full-time staff shall report to their immediate supervisor.

(2) Verification may be required if an employee uses paid sick leave for more than three consecutive days for which the employee was required to work.

Subpart 2.11. Paid Sick Leave Increments of Use. WACD requires employees to use paid sick leave in increments of one-hour and cannot be used before it is accrued.

Subpart 2.12. Rate of Pay for Use of Paid Sick Leave

(1) Employees must be paid their “normal hourly compensation” for each hour of paid sick leave used.

(2) “Normal hourly compensation” is the hourly rate that an employee would have earned for the time during which the employee used paid sick leave.

(3) Normal hourly compensation does not include tips, gratuities, service charges, holiday pay, or other premium rates.

(4) For employees who use paid sick leave for hours that would have been overtime hours if worked, WACD is not required to apply overtime standards to an employee’s normal hourly compensation.

Subpart 2.13. Payment for the Use of Paid Sick Leave

(1) WACD must pay paid sick leave to an employee no later than the payday for the pay period in which the paid sick leave was used by the employee.

(2) If verification for absences exceeding three days, such payment must be made no later than the payday for the pay period during which verification was provided to the employer.

Subpart 2.14. Carryover of Accrued, Unused Paid Sick Leave to the Next Year

(1) Accrued, unused paid sick leave balances will carry over to the following year.

(2) If an employee carries over unused paid sick leave to the following year, accrual of paid sick leave in the subsequent year would be in addition to the hours accrued in the previous year and carried over.

Subpart 2.15. Definition of Year. The accrual year is January 1 – December 31.

Subpart 2.16. Separation and Reinstatement. If an employee separates from employment, there **will not** be financial or other reimbursement to the employee for accrued, unused paid sick leave balances available at the time of separation.

Subpart 2.17. Reinstatement of Paid Sick Leave Hours Upon Rehire

(1) WACD must reinstate an employee’s previously accrued, unused paid sick leave if it rehires an employee within 12 months of separation.

(2) If the period of time an employee separates from employment extends into the following year (see definition under “Definition of Year”), an employer is not required to reinstate more than 40 hours of accrued, unused paid sick leave.

(3) Upon rehire, WACD must provide notification to the employee of the amount of accrued, unused paid sick leave available for use by the employee.

(5) If a seasonal employee is rehired within 12 months of separation, the employee will not be required to wait another 90 calendar days to use their accrued, unused paid sick leave if the employee met that requirement during the previous period of employment.

(6) If a seasonal employee did not meet the 90-day requirement for the use of paid sick leave prior to separation, the previous period of time the employee worked for WACD will

count towards the 90 days for purposes of determining the employee's eligibility to use paid sick leave.

Subpart 2.18. Retaliation Prohibited by Law.

(1) Any discrimination or retaliation against an employee for the lawful exercise of paid sick leave rights is not allowed. WACD will not discriminate or retaliate against an employee for the lawful exercise of Minimum Wage Act rights.

(2) WACD may not require, as a condition of an employee taking paid sick leave, that the employee search for or find a replacement worker to cover the hours during which the employee is on paid sick leave.

(3) If an employee feels they are being discriminated or retaliated against for the exercise of their Minimum Wage Act rights, the employee may contact the general manager or executive director.

(4) If an employee is not satisfied with WACD's response, the employee may contact the Washington State Department of Labor & Industries.

Subpart 2.19. Required Notification.

(1) At the start of employment WACD will provide employees with notice of their paid sick leave rights. This notice will include information regarding:

- (a) An employee's entitlement to paid sick leave;
- (b) The rate at which the employee will accrue paid sick leave;
- (c) The authorized purposes under which an employee may use paid sick leave; and
- (d) That retaliation by WACD for the employee's lawful use of paid sick leave and other rights provided under the Minimum Wage Act is prohibited.

(2) WACD will make this information readily available to all employees.

Subpart 2.20. Ongoing Notification.

(1) At least once a month, WACD will provide notice to its employees of:

- (a) The amount of paid sick leave accrued since notice was last made;
- (b) The amount of paid sick leave reductions since notice was last made; and
- (c) The total amount of unused paid sick leave available for use by the employee.
- (d) Ongoing notification will be provided on employee's paystubs.

Subpart 2.21. Contact Information. Employees with questions about this paid sick leave policy may contact the Seasonal Worker Coordinator or Human Resources Administrator.

Subpart 3. Maternity Leave. (1) A leave of absence will be granted to an employee for the period of time that she is actually ill or disabled due to pregnancy or childbirth. The employee shall provide medical documentation from her physician setting forth the medical necessity for the leave and the expected duration of the leave.

(2) An employee taking a leave of absence for the period of disability relating to pregnancy and childbirth has the right to return upon expiration of such leave to the same position, or a similar position of comparable pay and benefits unless business necessity prevents the organization from returning the employee to such position. If an employee

extends her pregnancy-related leave beyond the period of actual disability, the employee has no right to return to the same or similar position upon expiration of such leave.

(3) Maternity leave is unpaid, but an employee may elect to use all accrued sick leave and accrued vacation leave during the maternity leave. The WACD may request that the employee pay employee benefits during this leave.

(4) The request for maternity leave should be made in writing to the Executive Director at the earliest possible date.

Subpart 4. Bereavement Leave. (1) In the event of a death in the employee's immediate family, regular full-time employees will be allowed up to three (3) days leave with pay (not to be deducted from sick or annual leave).

(2) Immediate family is defined as the employee's spouse, child, grandchild, parent, brother, sister, in-laws, grandparents, guardian of the employee, or the death of any person residing with or is legally dependent upon the employee.

Subpart 5. Administrative Leave. Employees may be granted administrative leave when conditions cause closure of the office. The WACD Board or their designee's will also have the authority to declare administrative leave for any such period as necessary. Full pay and benefits will continue during administrative leave.

Subpart 6. Military Leave. (1) Military leave will be granted to any employee who is a member of a reserve unit of the United States armed services and will be placed upon unpaid leave for their annual 2-week duty. Benefit programs will be unaffected, and the employee may elect to use any paid leave entitlements they have accrued. Training leaves will not normally exceed two weeks annually, plus reasonable travel time.

(2)(a) Military leave will be granted to any employee who is called to active duty in any branch of the United States armed services.

(b) WACD will continue medical insurance until the first of the month following 30 days. After that, employees may continue medical insurance under the COBRA program at their own expense.

(c) To the extent possible, employees will be reinstated to their former position or to a comparable position if application for re-employment is made within 90 calendar days of the date of an honorable discharge or the date of release from hospitalization following discharge.

Subpart 7. Family and Medical Leave. (1) Employees who have been employed for at least one year and who have worked a minimum of 1,250 hours during the prior 12 months are entitled to 12 weeks of unpaid leave to be taken during any 12-month period. Leave may be granted to eligible employees for one or more of the following reasons:

- The birth of a child and a reasonable amount of time to care for that child.
- The placement of an adopted child or a foster child.
- A serious health condition, illness, or injury to the spouse, child, or parent of an employee.
- A serious health condition, illness, or injury to an employee that renders the employee unable to perform in the workplace.

(2)(a) Employees requesting family and medical leave, either for themselves or to care for a family member, must provide certification of the illness or injury from a physician or other licensed health care provider. The certification must include:

- the date on which the injury or illness began,
- the diagnosis and prognosis of the injury or illness,
- a statement that the employee is unable to perform his or her job functions, or
- a statement that the employee is needed to care for a spouse, child, or parent.

(b) To the extent possible, employees returning from family and medical leave will assume their former position or will be offered the first available comparable position for which they are classified.

(c) Accrual of benefits, such as vacation and holiday time, will be suspended during the leave and will resume upon return to active employment.

(d) WACD will maintain health insurance for the duration of the leave. If an employee does not return to work, that employee will be responsible for reimbursing WACD for health insurance premiums paid during the absence and may be collected from unused annual leave.

Subpart 8. Extraordinary Leave. (1) In extraordinary circumstances, additional time off may be approved by the Executive Director in consultation with the Executive Committee. Such leave shall be charged to compensatory time, vacation time, or sick leave time earned.

(2) If there is no sick leave available, the employee may use vacation leave, personal holiday, accrued compensatory time, or leave without pay with the permission of the Executive Director in consultation with the Executive Committee.

PART 2. Leave Without Pay. (1) The Executive Director, in consultation with the Executive Committee, may approve leave without pay for up to ninety (90) days, when such leave is not expected to be detrimental to the operations of the organization.

(2) The Executive Director reserves the right to initiate a leave of absence if, at their discretion, they conclude that an employee's attendance, ability to perform, working practices, or quality and quantity of work have been adversely affected by a condition, medical or other, that will require time off for treatment or care.

(3) Leaves of absence are subject to the following conditions:

(a) Any employee who applies for or engages in work for compensation while on a leave of absence from WACD is subject to immediate termination, unless the WACD Executive Committee, WACD Executive Director and/or Nursery Manager as appropriate has given prior written consent to the Arrangement.

(b) Any employee who applies for unemployment benefits while on a leave of absence will be subject to immediate termination.

(c) Any employee on leave for personal illness or injury who is found to engage in activities that violate restrictions imposed by a physician or other recognized medical provider, and which might delay return to regular employment, will be subject to disciplinary action, including termination.

(d) WACD will provide insurance benefits until the end of the month in which the leave begins. At that time employees must pay the full cost of their insurance benefits. WACD will resume payment of the costs of these benefits when the employee returns to active

employment. Insurance continuation through COBRA must be arranged in advance. The employee on leave is responsible for prompt payment of insurance or benefits will be terminated.

(4) Generally, accruals of benefit calculations such as paid leave or holiday benefits will be suspended during the leave and will resume upon return to active employment.

PART 3. Medical. Subpart 1. Medical Benefits. (1) All WACD permanent, full-time employees are eligible for medical insurance. Annually, each eligible employee will select either inclusion into the WACD Group Policy, or a medical stipend valued at, or below, the value of the Group Premium. The actual value of the medical stipend will be determined by the WACD Board of Directors.

(2) If the employee selects the medical stipend, it can only be used for medical insurance premiums. The employee will provide documentation (receipts) to qualify for the medical stipend.

Subpart 2. Treatment for Substance Abuse. An employee may be granted an unpaid leave of absence to undergo a WACD approved program for the treatment of drug and alcohol abuse. Unpaid leave for this purpose is conditioned on submittal to the Executive Director of documentation of enrollment and that the employee is following a specified rehabilitation program. Medical certification must also be provided to the Executive Director that the employee can safely return to work.

Subpart 3. Employee Assistance Program. The WACD does not have a formal Employee Assistance Program whereby counseling services can be offered free of charge. In the event an employee needs professional counseling regarding drugs/alcohol, family/marriage, personal or work, legal, social, medical, or special therapy, the WACD Executive Director will work with the employee to find the appropriate services.

Part 4. Retirement Account. (1) WACD offers a “Simple IRA” to any eligible employee. An eligible employee is one who has received \$5,000 in compensation from the employer in the preceding year or is reasonably expected to earn \$5,000 during the current plan year. WACD will contribute to the SIMPLE IRA’s of eligible employees who make contributions through deferrals, a dollar-for-dollar match up to 3% of the employee’s compensation. Employees wanting to contribute additional funds to their IRA should reference IRS Publication 560 to determine the maximum amount for each calendar year.

(2) Upon employment, all employees must complete the SIMPLE IRA – Salary Reduction Agreement Form. Employees may waive participation in the plan by checking the box indicating no participation. The Salary Reduction Agreement Form will be retained by WACD.

(3) For those employees participating in the retirement program, WACD will send salary contributions and dollar-for-dollar match to the financial institution on behalf of the employee when paychecks are issued. Employees may change his or her contributions throughout the year by completing the necessary paperwork one week prior to the end of the payroll period.

(4) The SIMPLE IRA does not offer a vesting schedule. All contributions are 100 percent vested to the employee. Elective salary deferral contributions are made on a pretax basis, reducing income subject to federal taxation. Earnings on account contributions grow tax deferred until withdrawal. Simple IRA's do not allow employees to borrow against their money. If the Simple IRA is cashed out within two years, employees are subject to a **25% penalty** in addition to federal taxes. Employees are responsible for contacting their accountant or financial representative for full tax implications and Simple IRA contribution maximums.

PART 5. Other Benefits.

Subpart 1. Paid Holidays. (1) The PMC will be closed for ten holidays per year. Employees who normally would have been scheduled to work will receive a paid day off for the following holidays:

- | | |
|-------------------------------------|-------------------------------|
| New Year's Day | Labor Day |
| Martin Luther King Day ¹ | Veterans Day |
| Presidents Day | Thanksgiving Day |
| Memorial Day | Friday after Thanksgiving Day |
| Independence Day | Christmas Day |
| Personal Holiday ² | |

(2) A holiday that falls on a Saturday will be observed on the preceding Friday and a holiday that falls on a Sunday will be observed on the following Monday.

¹ Employees may choose to take off this day or use it as a paid personal day during the calendar year.

² A paid day off of the employee's choosing. Employees must request approval from their manager at least one week in advance of the desired date.

Subpart 2. Jury Duty. (1) Employees who are absent from work to serve on jury duty will receive their regular compensation and may keep all jury duty pay and expense money received for jury service.

(2) The employee must report jury pay on Form 1040 if he/she elects to retain the compensation.

(3) Time spent away from work for jury duty will not be deducted from vacation or sick leave accruals.

(4) Employees must immediately notify the Executive Director, WACD PMC Nursery Manager, or Executive Committee when called to jury duty so that arrangements can be made to accommodate the employee's absence.

(5) Employees are expected to report for work whenever the court schedule permits.

(6) WACD, or the employee, may request an excusal from jury duty if the employee's absence from work would create serious operational difficulties for WACD.

Subpart 3. Workers Compensation. Workers Compensation Insurance. WACD provides comprehensive Workers' Compensation insurance as mandated by state law. This program covers any injury or illness sustained during employment requiring medical, surgical, or hospital treatment. Employees who sustain a work-related injury or illness should inform management immediately as this enables an eligible employee to qualify for coverage as quickly as possible.

SECTION 5. EMPLOYEE CONDUCT

PART 1. Professional Conduct

WACD does not tolerate conduct that interferes with company operations or is offensive to customers or other employees. Employees are expected to conduct themselves in a professional manner. WACD reserves the right to determine what conduct is not appropriate and what level of discipline such conduct warrants.

Part 2. Grievance Procedure

Employees who have a grievance concerning assignments, work conditions, pay, or other items concerning their work shall following the chain of command if satisfactory results cannot be obtained by first discussing the matter with the individual's work supervisor. When the work supervisor is unable to or unwilling to make changes desired, the next step is for the person to go to the **Executive Director or Nursery Manager as appropriate**. If the **Executive Director or Nursery Manager** is unable or unwilling to give satisfactory results the WACD Executive Committee is the next step. For the WACD Executive Committee to adequately review the complaint, the employee shall put the grievance in writing and deliver it to the WACD President in a timely manner.

Part 3. Whistleblower Policy and Procedures

WACD encourages employees, volunteers and others related to the organization to report any violation of policy, procedure, or ethics; illegal activity; or other misconduct by employees, volunteers, or others related to the organization. No person who in good faith reports a violation shall suffer harassment, retaliation or adverse employment consequence. An employee, board member, or volunteer who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Procedures:

(1) Reports can be made directly to the WACD President, the WACD Executive Director, and/or WACD Nursery Manger.

(2) Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

APPENDIX

Appendix 1. Past Due Accounts

The following section provides procedures for identifying and collecting past due payments on Accounts Receivable (AR) invoices. It provides a timeline for follow-up and actions that should be taken at each interval in requesting payment from a customer on a specific past due invoice(s). Accuracy, timing and repetition are critical to our collection strategy. Customers who repeatedly make late payments will be asked to pre-pay future orders.

(1) **Identifying Past Due Invoices** – A computer generated report shall be used to identify which invoices require follow-up activity. This report shall be run monthly. The report shall include the customer name, invoice number, invoice amount, current balance due, and the amount of time past due. All attempts to reach the customer will be documented in the customer's file.

(2) **Methods of Follow-Up** - Collection procedures may vary depending on the customer. Communication by nursery with the customer shall be ongoing throughout the follow-up process. Follow-up methods can be any one or combination of the following:

(a) Initial call – Verify that the customer received the invoice. If invoice has been received, determine when payment is expected. If invoice has not been received, verify that the name and address are correct. If address is not correct, make the appropriate changes.

(b) Follow-up calls – Determine reason(s) for nonpayment of invoice and appropriate follow-up action. Follow-up calls may require numerous attempts to make contact via leaving messages or email to make direct contact with the customer.

(c) Follow-up Letters – Send the customer a specific letter.

(3) **Past Due Invoice Letter** - The Past Due Invoice Letters are formal written notifications of past due amounts owed. The PMC will use three letters based on the stage of delinquency and/or prior contact with the customer. Copies of all letters will be retained in the customer's file and are as follows:

(a) First Past Due Invoice Letter Request – at 60 days past due a friendly reminder is conveyed regarding an outstanding invoice. ***This letter will be signed by the bookkeeper.***

(b) Second Past Due Invoice Letter Request –at 90 days past due a message is conveyed in stronger language; provides two options for resolution of the outstanding invoice(s). ***This letter will be signed by the nursery manager.***

(c) Third Past Due Invoice Letter Request – at 120 days past due a message is conveyed communicates that this will be the final notice sent from the business office, if payment is not received the accounts may send sent to a collection agency. ***This letter will be sent "certified with a return receipt" and signed by the Executive Director.***