**Welcome to the staff of Pennyrile Area Development District**

The following policies have been developed to provide you with information concerning the philosophies and practices of PADD in personnel matters. These policies will be effective as of July 1, 2002. There are no retroactive clauses on any of these policies, and it is expected that all employees will be equally affected in relation to their purpose and implementation. Please read through these Personnel policies and discuss any questions you may have with your supervisor.

The efforts of our past and present employees have made PADD's record one of pride and accomplishment. We are happy to have you join our team and look forward to your contributions to our agency.

Congratulations!

Dan Bozarth, Executive Director

# PERSONNEL POLICIES MANUAL

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## SECTION 1: INTRODUCTION

### 1.01 Statement of Purpose

It is the aim and objective of the Pennyrile Area Development District to promote, develop, and protect the economic, health, education, and general welfare of the people of the nine-county area of Caldwell, Christian, Crittenden, Hopkins, Livingston, Lyon, Muhlenberg, Todd, and Trigg Counties in Kentucky. A Board of Directors, with membership as specified in the Bylaws, shall be responsible for establishing and maintaining policies and programs to achieve specified aims and objectives.

### 1.02 Limitations

The adoption of Personnel Policies by the Pennyrile Area Development District shall in no way represent or be considered an "Employment Contract" between the Pennyrile Area Development District and its employees. To the Contrary, all of the employees of the Pennyrile Area Development District shall be considered "terminable at will" subject to the legal doctrine of "employment at will" with said employees serving at the pleasure of the Pennyrile Area Development District and its duly designated supervisors. At no time during the consideration or adoption of the "Personnel Policies" (or amendments thereto) was said "Personnel Policies" deemed to be an "Employment Contract"; either implied or otherwise.

Any "grievance procedure" or "progressive discipline" established in the Personnel Policies may be changed at any time, with or without notice, from the employer to the employee. Said provisions concerning discipline or grievance procedures shall be considered as a "guideline" subject to the sound discretion of the board of directors of the Pennyrile Area Development District

### 1.03 Interpretations

Employees will familiarize themselves with the aims and objectives of PADD and shall faithfully perform the duties of his/her assigned position and conduct himself/herself in a manner conducive to the accomplishments of those aims and objectives. An employee shall endeavor by attitude and conduct to secure and maintain the good name and reputation of PADD, its officers, Governing Board, and fellow employees and to advance the program of PADD.

PADD will make every effort to adhere to personnel policies which will provide a satisfactory and productive job environment. Every employee shall be provided with a copy of the personnel policies and a copy of each change adopted. Within ten days of distribution, each employee shall acknowledge in writing that such policies have been received and read.

### 1.04 Authority and Responsibility

All rules and policies of the Bylaws shall be strictly adhered to in the handling of personnel matters. The Executive Committee of the Pennyrile Area Development District Board of Directors is responsible for all personnel policy matters. The Personnel and Finance Committee, may consider personnel issues and make recommendations to the Executive Committee. The Executive Director is authorized by the Executive Committee to be responsible for implementation of personnel policies and procedures. The Executive Director may delegate such duties and functions as he deems appropriate. Personnel Policies may only be changed or amended at the discretion of the Executive Committee.

## Section 2: EMPLOYMENT

### 2.01 Eligibility for Employment

Employment shall be offered to available persons with the highest qualifications without regard to race, religion, creed, age, sex, or national origin. When otherwise qualified, preference shall be given to individuals aged 60 or over for staff positions assigned to Pennyrile Area Agency on Aging Programs pursuant to the "Older Americans Act" of 1965, as amended. PADD is an Equal Opportunity Employer and shall maintain an Affirmative Action Plan. The policies of nondiscrimination shall apply to recruitment, employment, promotion, testing, training, rates of pay, demotion and termination and shall comply with applicable Federal and State regulations. (Contact Alisha Keller, Administrative Officer, for issues pertaining to EEO.)

It is acknowledged that PADD does administer certain programs on behalf of other public entities through contract, joint venture, or otherwise. It is further acknowledged that the public entity or agency may have adopted an employment policy, or otherwise be subject by operation of law, to certain employment standards. In such event, PADD may implement and abide by the more restrictive terms of employment adopted by the collaborating agency or entity.

### 2.02 Positions

All regular full time staff positions of PADD shall be established by the consent of the Executive Committee of the Board of Directors. Upon establishment of a regular full-time position, the position to be filled shall be advertised appropriately. Equal opportunity notices will be given as specified in the Affirmative Action Plan.

Individuals assigned to positions classified as:
Permanent full-time must work a minimum of 37.5 hours per week;
Permanent part-time work a regular schedule of hours that does not exceed 100 hours per month.
Temporary positions:
- Work on an hourly basis, a specific length of time; specific assignment and narrow work scope/project oriented;
- Require special expertise/training qualifications.

### 2.03 Job Descriptions and Classification

Job descriptions, qualifications for employment, and standards of performance will be determined by PADD's Executive Committee, and where applicable, shall conform to those required by any Federal or State agency providing substantial contribution to the financing of PADD's operation.

A description of the duties assigned to each position, together with a statement of the minimum qualifications required for occupancy, shall be prepared and made a part of PADD's employment policies and provided to the employee as a standard for performance. Occasional or part-time employees, as required, may be provided a description of duties.

Positions shall be classified as exempt or nonexempt from overtime in accordance with the state and federal wage and hour laws. An employee assigned to an exempt position will not be able to receive overtime pay. These positions fall under the classifications of professional, executive, and administrative as defined under Chapter 29 of the Federal Code of Regulations, part 541 as amended in 1991. See the Administrative Officer regarding any questions.

## 2.04 Probationary Period

Newly appointed employees shall serve a probationary period of up to six months from date of employment. During this period, employees may be dismissed on recommendation of the Executive Director.

## 2.05 Evaluations

An initial confidential personnel evaluation shall be conducted in a prescribed manner at the end of the probationary period for all new employees. Thereafter, confidential personnel evaluations shall be conducted on an annual basis. The Executive Committee may consider such evaluations in making recommendations concerning salary adjustments.

## 2.06 Salary Adjustments

Subject to the availability of funds, employees may receive performance increases and/or cost of living increases. Wage/salary increases, as a general practice, will be presented to the Executive Committee for review at the end of each fiscal year and then taken to the full PADD Board of Directors for approval.

## 2.07 Employment-At-Will

All employees who do not have a written, individual employment contract with the Pennyrile Area Development District for a specific, fixed term of employment, are employed at the will of the Pennyrile Area Development District for an indefinite period and their employment may be terminated at any time, with or without cause or notice. In the same manner, such employees may terminate their employment, at any time, with or without cause of notice. However, if an employee fails to provide two weeks notice of termination, in such event, the employee may be considered ineligible for rehire.

The employment relationship between the Pennyrile Area Development District and its employees is referred to as the "employment-at-will" doctrine. The employment-at-will doctrine has been established by Kentucky law and it defines the employment relationship for most employees in Kentucky. The employment-at-will doctrine will govern your relationship with the Pennyrile Area Development District as long as you are an employee.

Supervisory and management personnel are prohibited from making any representations to employees or applicants concerning terms or conditions of employment with the Pennyrile Area Development District which are not consistent with the employment-at-will policy set out herein. No statements made in pre-hire interviews or discussions may alter the "at-will" nature of employment or imply that discharge may only occur for cause.

The policies and practices set out in the employee handbook and personnel policy adopted by the Pennyrile Area Development District with respect to any matter are not to be considered as creating any contractual employment agreement by and between the Pennyrile Area Development District Inc., and its employees or further creating any obligation to state that termination of employment will occur only for "just cause".

## Section 3: SALARY ADMINISTRATION

(Rev. 10/31/08)

### 3.01 Work Hours

A normal work day for PADD employees consists of 7.5 hours per day. This equates to a work week of 37.5 hours per week. The hours of operation are Monday through Friday, 8 AM to 4:30 PM. Staff assigned to work stations other than the main office at 300 Hammond Drive will adopt the work hours of their assigned location. If there are multiple work hours, the supervisor will determine the work hours.

Tardiness in reporting to work or absenteeism shall be charged against annual leave of an employee equal to the time of tardiness or absence unless specifically excused by the Executive Director or his designated representative. Continued or frequent tardiness or absenteeism shall be deemed unsatisfactory performance of duty on the part of any employee.

### 3.02 Time Sheets

Time sheets are the basis from which payroll checks are computed at the end of each pay period. It is each staff member's responsibility to be certain their time sheet is completed and contains an accurate account of the hours worked during the pay period.

### 3.03 Payment of Wages

1. Employees shall be paid by direct deposit and will be given a statement of earnings and withholdings for each direct deposit.

2. Wages are paid semi-monthly and direct deposits are normally completed on the 15th and the last day of each month.

3. Except those required by law, no deductions shall be taken from any employee's pay without the mutual consent of both the employee and the Executive Director, and such consent shall be recorded in the payroll records of PADD.

4. All employees shall be provided in writing at the time of employment and with any change in wage or salaries (at least annually), a statement of gross wages and salary. Before January 31st of each year, employees shall be provided with a statement of gross wages, itemization of deductions made, and net wages paid (W-2).

### 3.04 Compensatory Time and Overtime Pay

No overtime pay shall be allowed those employees occupying positions designated as "exempt". In addition, compensatory time, as a rule, shall not be allowed. However, where the programs of PADD shall require a non-exempt employee to work in excess of 40 hours per week, that employee will be given compensatory leave time. Requests for the use of comp time should be submitted in advance and be used within the same pay period in which it was earned, unless an extension is granted by the Executive Director or his designee.

### 3.05 Fringe Benefits

(Rev. 6/15/05)

At the time of employment, all permanent full-time employees shall be provided with information regarding fringe benefits (See Section 4: Benefits). In addition to all other benefits of employment offered by PADD, the Executive Committee may, from time to time, make provision for additional employee benefits whether required by law or voluntarily, and at the Board's discretion, may alter the terms of such benefits or withdraw them altogether unless the benefits are stipulated by law.

### 3.06 Expenses

Expenses incurred by an employee of PADD in the performance of assigned duties for and in behalf of PADD shall be compensated for in accordance with the policies adopted by the PADD Board of Directors.

### 3.07 Service Awards

Regular full-time staff members shall receive recognition for years of service upon completion of five (5) years of employment. Thereafter, awards will be presented for every five (5) years of service and upon retirement. Awards for years of service will include a certificate and cash awards in accordance with the following schedule and will be presented at the PADD Annual Meeting.

| | | | |
|---|---|---|---|
| Five years | $ 100 | Twenty years | $ 400 |
| Ten years | $ 200 | Twenty-five years | $ 500 |
| Fifteen years | $ 300 | Thirty years | $ 600 |

## Section 4: BENEFITS

(Rev. 10/31/08)

Employee benefits constitute a basic ingredient in personnel administration. Benefits provided by Pennyrile Area Development District include the following:

### 4.01 Holidays

PADD shall observe all State and Federal holidays deemed appropriate by the Board of Directors. The following days are declared paid holidays at the regular rate of pay for all permanent full-time PADD employees:

| | |
|---|---|
| **New Year's Day** | **Veterans Day** |
| **Martin Luther King Day** | **Thanksgiving Day** |
| **Good Friday (half day)** | **Friday after Thanksgiving** |
| **Memorial Day** | **Christmas Eve** |
| **Independence Day** | **Christmas Day** |
| **Labor Day** | **New Year's Eve** |

Employees assigned to work stations other than 300 Hammond Drive will observe holidays of that location.

Should a holiday fall on a Saturday, it will be observed on the preceding Friday. If it falls on a Sunday, it will be observed the following Monday. Holiday pay will not be awarded to staff members on unpaid leaves of absences.

Permanent full-time employees shall receive up to 3.75 hours of leave for the purpose of voting in any statewide elections. All employees are provided time off to vote and encouraged to do so.

### 4.02 Health Insurance (Managed by Anthem)

PADD pays for 100% of the health insurance premium for the permanent full-time employee selecting a single plan. Coverage will take effect on the first day of the month following the date of employment. A family plan is available and the employer pays 80% of the family premium and the employee pays the remaining 20% of the premium. Refer to the plan document and summary plan description for more information.

### 4.03 Dental Insurance (Managed by Delta Dental Premier)

PADD pays for 100% of the permanent full-time employee's dental single plan insurance premium. Two-party and family coverage is available with the employee paying 50% of the plan premium, minus the cost of a single coverage plan. Coverage will take effect on the first day of the month following the date of employment. Refer to the plan document and summary plan description for more information.

### 4.04 Vision Insurance (Managed by Vision Service Plan)

PADD pays for 100% of the permanent full-time employee's vision single plan insurance premium. Two-party and family coverage is available with the employee paying 50% of the plan premium, minus the cost of a single coverage plan. Coverage will take effect on the first day of the month following the date of employment. Refer to the plan document and summary plan description for more information.

### 4.05 County Employees Retirement System (CERS) (Rev. 6/15/05)

The CERS is a multiple employer cost sharing defined benefit public employee retirement system. The plan provides for retirement, disability, and death benefits to plan members. The employee's contribution is 5% of their gross salary. The State Board of Trustees determines the contribution rates for the employer each year, per Kentucky Revised Statute. Permanent employees are eligible to participate in the plan effective on the date of employment, provided they work at least 100 hours per month. Temporary positions that exceed 12 months of employment and work at least 100 hours per month also qualify for CERS.

### 4.06 Social Security Tax

Permanent full time employees of the Pennyrile Area Development District are exempt from Social Security tax. Part time employees must pay 6.2% of their gross salary and the employer matches 6.2% of gross salary, provided they do not qualify for CERS and PADD Pension Trust.

### 4.07 Medicare Tax

Employees that were hired before March 1986 are exempt from Medicare tax. All employees that are hired after March 1986 are subject to Medicare tax. The employee pays 1.45% of gross salary and the employer matches 1.45% of gross salary.

### 4.08 401(k) Plan (Managed by Principal Financial Group)

Employees have the option to contribute a percentage of their gross salary to a 401(k) plan as a part of the PADD Pension Trust. PADD does not contribute to this plan. The employee may defer up to the maximum percentage allowable not to exceed the limits of IRS Code Sections 401(k), 404, and 415. The employee may elect to commence salary reductions as of the first day of any payroll period. The employee may modify the amount of salary reductions as of the first day of any payroll period.

To obtain account information on the internet, employees can visit www.principal.com. To obtain account information via telephone, the employee can call 1-800-547-7754 and use the interactive voice response system.

### 4.09 Long Term and Short Term Disability (Managed by Mutual of Omaha)

PADD pays 50% of a short term and long term disability insurance premium for permanent full time employees. The employee pays the other 50% of these premiums.

### 4.10 Life Insurance

PADD pays 100% of the premium of a life insurance policy with life insurance benefits equal to 1.5 times your annual earnings, rounded to the next higher multiple of $1,000 for permanent full-time employees.

### 4.11 Accidental Death and Dismemberment Insurance (Managed by Anthem Life)

PADD pays 100% of the premium for accidental death and dismemberment insurance for permanent full-time employees. The amount of your AD&D Insurance benefit is equal to 1.5 times your annual earnings, rounded to the next higher multiple of $1,000.

## 4.12 Cancer Insurance

(Rev. 6/26/07)

The employee has the option to participate in the AFLAC policy. If the employee chooses to participate in this policy, PADD will pay $2.00 per month on the permanent full-time employee's policy. The remaining cost of the premium will be paid by the employee.

## 4.13 COBRA Insurance

If an employee or any covered dependent loses group health insurance due to termination of employment, or a reduction in work hours, they are entitled to continue group health coverage at their own expense under COBRA for 18 months.

If an employee's spouse or dependent loses group health insurance coverage due to divorce from employee, dependent's marriage, dependent reaches limiting age, etc., the ex-spouse and/or dependent(s) have the right to continue coverage at his/her own expense under COBRA for 36 months.

## 4.14 Worker's Compensation Insurance

All employees are covered under the Kentucky Worker's Compensation law, which pays employees part of their salaries for work-related injuries. If a claim is approved, necessary medical expenses will also be paid.

If an employee is injured on the job, he/she must report the injury as soon as possible to the Administrative Officer. The Administrative Officer is responsible for completing the Employer's First Report of Injury and calling in the First Report within 3 working days.

## 4.15 Family Medical Leave Act (FMLA)

As provided by the 1993 Family and Medical Leave Act (FMLA), 29 CFR. Part 825, all eligible employees shall be entitled to take up to 12 weeks of unpaid, job-protected leave during any 12 month period for certain family and medical reasons. Employees are eligible if they have worked for the PADD for at l east a total of 12 months, and have worked at least 1,250 hours over the previous 12 months.

Unpaid leave must be granted for up to a total of 12 workweeks for one or more of the following reasons;

- To car for the employee's child after birth, or placement for adoption or foster care;
- To care for an immediate family member (spouse, child (under 18), or parent, not in-law) with a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

A serious health condition shall be defined as an illness of a serious and long-term nature resulting in recurring or lengthy absences. Treatment of such an illness would occur in an inpatient situation at a hospital hospice, or residential medical care facility, or would consist of continuing care provided by a licensed health care provider.

When both spouses are employed by PADD, they are jointly entitled to a combined total of 12 work weeks of family leave for the birth of placement of a child for adoption of foster care, and to care for a parent who has a serious health condition.

The FMLA permits employees to take leave on an intermittent basis or to work a reduced schedule under certain circumstances. The employee must exhaust all accumulated sick leave prior to receiving unpaid FMLA leave. The accumulated sick leave taken will count as time taken for FMLA.

Upon PADD granting FMLA leave, the employee receives an entitlement up to twelve weeks of job protected unpaid leave during any twelve month period. The fixed twelve month "leave year" shall commence July 1 of each year and conclude on June 30 the following year.

**Maintenance of Benefits**

An employee shall be entitled to maintain group health insurance coverage on the same basis as if he/she had continued to work at ADD. To maintain uninterrupted coverage, the employee will have to continue to pay their share of insurance premium payments. This payment shall be made either in person or by mail to the PADD Accounting Department by the 25th day of the month. If the employee's payment is more than 30 days overdue, then the coverage will be dropped by PADD.

In some instances, PADD may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FMLA leave.

If an employee contributes to other benefits, PADD will continue making payroll deductions while the employee is on paid leave. While the employee is on unpaid leave, PADD will request that the employee continues to make those payments, along with the health care payments.

The use of family medical leave will not be considered a break in service when vesting or eligibility to participate in benefit programs is being determined.

**Job Restoration**

An employee who utilizes family or medical leave under this policy will be restored to the same job or a job with equivalent status, pay, benefits, and other employment terms.

PADD may choose to exempt certain highly compensated "key" employees from this job restoration requirement. Employees who may be exempted will be informed of this status when they request leave. If PADD deems it necessary to deny job restoration for a key employee on FMLA leave, PADD will inform the employee of its intention and will offer the employee the opportunity to return to work immediately.

**Procedure for Requesting Leave**

When an employee plans to take leave under this policy, the employee must give PADD a 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. If the leave is not foreseeable, the employee must provide written notice as soon as possible or practicable.

**Procedure for Notice and Certification of Serious Health Condition**

On occasion, PADD may require the employee to provide notice of the need to utilize leave (where it is possible to know beforehand) and/or may require the employee to provide certification of an employee's or immediate family member's serious health condition by a qualified healthcare provider. The employee should try to respond to such a request within 5 days of the request, or provide a reasonable explanation for the delay.

Qualified healthcare providers include: doctors of medicine or osteopathy, podiatrists, dentists, clinical psychologists, optometrists, and chiropractors, nurse practitioners and nurse-midwives authorized to practice under State law and performing within the scope of their practice under sate law; and Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts.

When seeing certification of a serious medical condition, an employee should ensure that the certification contains the follow:

1. Date when the condition began; expected duration; diagnosis; and a brief statement of treatment.

2. If the employee is seeing medical leave for his/her own medication condition, certification should also include a statement that the employee is unable to perform the essential function of the employee's position.

3. For a seriously ill family member, the certification should include a statement that the patient requires assistance and that the employee's presence would be beneficial or desirable.

4. If taking intermittent leave or working a reduced schedule, certification should include dates and duration of treatment and a statement of medical necessity for taking intermittent leave or working a reduced schedule.

When intermittent leave is needed to care for an immediate family member or the employee's own illness, and is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the employer's operation.

If deemed necessary, PADD may ask for a second or third medical opinion (at PADD's expense) and periodic recertification. PADD may also require periodic reports during the FMLA leave regarding the employee's status and their intent to return to work.

## Section 5: LEAVE

(Rev. 6/26/07)

### 5.01 Annual Leave

All permanent full-time employees receive annual leave as a work benefit. Part-time and temporary workers do not earn annual leave. The employee's length of service will determine the amount of annual leave that can be earned. Annual leave accrual shall begin on the date of employment. Permanent full-time employees will accrue annual leave according to the following schedule:

| Years of Service | Annual Leave per Year | Days per month |
|---|---|---|
| 1-5 | 12 days | 1 day |
| 6-10 | 15 days | 1.25 days |
| 11-15 | 18 days | 1.5 days |
| 16-20 | 21 days | 1.75 days |
| 21+ | 24 days | 2 days |

Annual leave may be taken in increments of ½ hour. The employee's timesheet and pay stub will reflect the number of hours available. An employee is not eligible for annual leave pay until the hours requested have accrued. Annual leave benefits do not accrue during leaves of absences without pay.

On the last day of January each year, a count shall be made of accumulated annual leave and any amount in excess of 30 days shall be forfeited as of the first day of February each year.

Use of annual leave shall be arranged by the employee with his/her supervisor and the Executive Director or his designee. Annual leave requests are to be submitted as early as possible with approval contingent upon the uninterrupted operation of the district programs. Annual leave requests are to be completed in written form.

If the employee is separated from employment with the District by proper resignation or retirement, the employee will be paid for all accumulated annual leave. Failure to provide at least two weeks notice of intent to terminate employment shall forfeit to the District any wages or salary or payment in lieu of accrued annual leave which may be due to the employee. Annual leave or sick leave may not be substituted for work days during the 2 week notice period. In the event of termination of employment by the District, except for unsatisfactory performance, an employee shall be entitled to payment in a lump sum for all accrued but unused annual leave.

### 5.02 SICK LEAVE

Permanent full-time employees will begin accruing sick leave upon date of employment. A permanent full-time employee shall accrue sick leave at a rate of fifteen (15) days annually or 1 ¼ days per each month worked. Sick leave days may not accumulate over 180 days. Upon retirement from the Pennyrile ADD, six (6) months of unpaid accumulated sick leave can be credited toward an employee's years of service. The additional months of service credit may be used to determine eligibility for retirement.

Sick leave shall be granted to all permanent full-time employees for illnesses, provided that the employee notifies his/her supervisor as soon as practical during normal working hours. In the

absence of the supervisor, the Executive Director shall be notified. The supervisor shall authorize the taking of sick leave in written form.

Sick leave with pay may be used when the employee has a medical, dental, or optical appointment. The employee may also use sick leave if:

- the employee is disabled by sickness or injury;
- for the birth, placement or adoption of a child;
- the employee is caring for a sick or injured member of their immediate family for a reasonable period of time;
- the employee would jeopardize the health of others at work;
- the employee has lost by death a spouse, child, grandchild, parent, grandparent, brother, or sister. Other losses should be discussed with the supervisor to determine whether sick leave is appropriate for the occasion.

Sick leave shall be used in increments of ½ hour. The employee's time sheet and pay stub will reflect the number of hours available. Sick leave benefits do not accrue during leaves of absence without pay.

In the event of prolonged sickness, to the extent of accumulated leave, an employee shall receive wages or salary as though on duty. At his discretion, the Executive Director may permit an employee to remain in employment status, but without pay, for a period of no more than ninety days beyond the expiration of the employee's accumulated leave. Any combination of leave time, i.e., sick leave, annual leave, or leave without pay may be utilized in this case. The general leave policies of the Pennyrile Area Development District will be applied to requests for leave for maternity reasons in the same manner in which they are applied to other comparable temporary disability or sick leave.

In the event of absence from post duty due to illness in excess of three days, the employee must submit to the Executive Director, at his request, a statement signed by a competent medical authority attesting to illness or injury as the cause of absence before sick leave will be allowed.

**5.03 Other Leave**

Any permanent employee who is a member of the National Guard or organized military reserve of the United States shall be granted military leave with pay for ten (10) working days of actual duty or field training encampment.

An employee shall be given time off without loss of pay when performing jury duty or when required by proper authorities to be a witness in legal proceedings.

Executive leave shall be granted by discretion of the Executive Director for extraordinary circumstances. The Executive Director may authorize a leave of absence without pay up to thirty (30) days or until the next Board of Directors meeting.

**5.04 Absence Without Leave**

In the event of absence of any staff member extending for more than three (3) days, the Executive Director, with the concurrence of the Chairman of the Board of Directors, may designate another staff member to act in his/her stead with full authority and responsibility for the remainder of his/her absence or until his/her successor has been employed and has reported for duty.

## Section 6: EMPLOYEE CONDUCT

Employees of PADD shall familiarize themselves with the applicable State and Federal regulations concerning employee conduct. No employee shall use or abuse his/her position to promote personal interest and shall not engage in outside employment or activities incompatible with the full and proper discharge of the duties and responsibilities of his/her position with PADD.

### 6.01 Code of Ethical Conduct

Employment with PADD is a public trust requiring diligent effort and personal commitment. PADD's Code of Ethics (policy located in Appendix) is set forth as a guide to the ethical conduct required of the staff of PADD and to establish standards of behavior in the performance of professional responsibilities.

It is the purpose of the Code to provide a method of assuring that standards of ethical conduct are provided to the employees of PADD with advice and information concerning potential conflicts of interests which might arise in the conduct of their public duties.

### 6.02 Drug-Free Workplace

The Drug-Free Workplace Act of 1988 requires contractors and grantees of federal agencies to certify that they will provide drug free workplaces. This required certification is a precondition of receiving a contract or grant from a federal agency beginning March 18, 1988. Located in the appendix is the Drug Free Workplace Act Certification that each employee must read and sign.

### 6.03 Sexual Harassment

The Pennyrile ADD believes that a work environment which maximizes productivity is one that is free from all types of discrimination and harassment of employees. In compliance with the Equal Employment Opportunity Commission's Guidelines, the Pennyrile ADD is committed to take necessary measures to insure that no employee is subjected to sexual harassment from the Executive Director, supervisors or co-workers.

Sexual harassment undermines the integrity of any relationship; no employee shall be subject to unwelcome sexual advances, requests for sexual favors, and/or other verbal or physical conduct of a sexual nature. Such actions constitute sexual harassment when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
2. Submission to or rejection of such conduct by an individual is used as the basis for an employment decision affecting such individual; or
3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Whether committed by the Executive Director, a supervisor or co-workers, sexual harassment is a violation of agency policy. The Pennyrile ADD encourages any employee who feels sexually harassed to seek assistance by contacting the Executive Director. If this process is prohibitive due to circumstances, then the employee may contact other appropriate senior staff. All reported cases or incidences believed to constitute harassment or discrimination in any form will be investigated. Employees found guilty of sexual harassment or discrimination shall be dealt with under appropriate disciplinary procedures.

### 6.04 Enhancement of Skills and Knowledge

It is the benefit of both the employee and PADD that all employees endeavor to improve and broaden their skills and knowledge of use to PADD. Employees are urged to undertake, on their own, courses of study and other opportunities for self improvement.

PADD may, as occasion permits and in such a manner as may be feasible, provide for special training opportunities for employees when deemed beneficial to PADD. However, PADD will not be responsible for any cost of any kind incurred by an employee of PADD in regard to any training program, course of instruction, or similar undertaking except with the specific, prior written consent of the Executive Director.

### 6.05 Telephone, E-Mail & Internet Use

Employees are encouraged to keep personal telephone calls to a minimum during working hours. The calling card should be used only for conducting Agency business when out of the office. When calling the PADD office, the 800 number is to be used in preference to the calling card.

Voice mail is to be used only when an employee is out of the office or on the phone, not to screen incoming calls. Voice mail should be checked regularly and all calls returned promptly.

E-mail and the Internet are for conducting the business of the Area Development District. Personal e-mails and use of the Internet for personal activity should be kept to a minimum during working hours. Offensive or vulgar e-mail messages such as messages that contain sexual or racial comments are strictly prohibited, in conformity with the company's existing policies against harassment and discrimination.

Employees may not attempt to gain access to e-mail and computer files of other staff without permission. PADD owns the E-mail and Internet system and the information transmitted and stored within it. Employees have no expectation of privacy or confidentiality in any of their E-mails. Violation of the company's E-mail and Internet policy will result in discipline up to and including termination.

## Section 7: TERMINATION OF EMPLOYMENT

PADD reserves the right to terminate employment of any employee subject to the following conditions:

### 7.01 Termination by Employer

The Executive Director of PADD or the assistant director (with the concurrence of the Executive Director) shall prepare, or cause to be prepared, any notice of termination of employment as it relates to any employee. The notice of termination of service shall be reduce to writing and presented to the employee subject to termination. The employee subject to termination of employment shall have the right to request an exit conference with the Executive Director and further request that the Executive Director withdraw the notice of termination. In the event that the notice of termination is not withdrawn by the Executive Director, in such event, the employee may file a written grievance with the Chairman of the Board of Directors of PADD. The written statement of the employee shall set out the employee's grievance and shall be accompanied by a copy of the notice of termination.

### 7.02 Grievance Hearing

Upon receipt of the grievance, the Chairman of the Board shall determine whether a hearing of the matter is justified. If the Chairperson considers a hearing as justified nature, the Chairman shall call a meeting of the Executive Committee within 15 days of the receipt of the request and further notify the discharged employee and the Executive Director of the date that the Executive Committee shall hear the grievance. All parties to the grievance shall be given the opportunity to present pertinent information in a manner directed by the Chairman of the Board.

The Executive Committee, by majority vote, may sustain the Notice of Termination given by the Executive Director or take other alternative measures in their absolute discretion, to properly adjust the grievance. The decision of the Executive Committee shall be final. The written findings of the Executive Committee shall be given to the employee and the Executive Director.

### 7.03 Employment At Will

Nothing set out in section 7, herein, shall alter or amend the "employment-at-will" doctrine previously set out herein. By way of reaffirmation, the employment relationship between Pennyrile Area Development District and its employees may be terminated, at any time, with or without cause, by both the employer and the employee. Nothing set out herein shall be considered as creating a contract of employment by and between employee and the Pennyrile Area Development District.

## Section 8: TRAVEL POLICY

(Revised 6/15/05)

Due to the nature of the work done by the Area Development District, staff may be required to travel within the nine county district as well as to destinations outside PADD. This travel falls within the normal range of work done by the PADD staff.

When traveling, employees shall comply with the Travel Policies of the Pennyrile Area Development District. Travel requests must be made for approval of travel. Travel vouchers shall be submitted for reimbursement of travel expenses.

### 8.01 Authorization Procedures

All travel must be approved. In-district & out-of-district travel requests must be approved by the employee's supervisor. For Workforce staff, in-district travel will include trips to the Purchase Area Development District. Out-of--state travel requests must be approved by the employee's supervisor and Executive Director or his designee. Meeting notices and other appropriate documentation supporting travel shall be submitted with travel request when available.

All travel and lodging arrangements shall be coordinated through the appropriate staff.

Staff will use agency vehicles whenever possible. Use of privately owned vehicles (POV) will be authorized when:

1. There are no staff cars available, or
2. There is no additional expense to PADD over using a staff car.

### 8.02 Use of PADD Vehicles

1. PADD vehicles are to be parked in the office lot under street lights anytime they are not being used on official travel unless otherwise authorized by the Executive Director.

2. PADD vehicles are to be locked at all times. Vehicles should not be returned to the office with less than a half tank of fuel.

3. Requests for automobiles are to be submitted as early as possible for scheduling purposes. Out- of-state and out-of-district travel shall be given priority over in-district travel. If in-district requests outnumber available vehicles, priority shall be given to the furthest destination.

4. Staff should ride together whenever possible when attending meetings in the same general location. Use and reimbursement of POV travel in addition to Agency vehicles must be authorized by the supervisor or Executive Director.

5. Operation of Agency vehicles is limited to PADD staff unless an emergency situation occurs. Passengers in vehicles will be limited to those covered by Agency insurance and/or otherwise authorized by the Executive Director. Vehicles are to be used for official business only.

6. All charges for gasoline, maintenance, service, etc., are to be on credit cards supplied by the office. Receipts for these charges are to be kept with the appropriate credit card and returned to the office staff.

7. Arrangements should be made to get keys and credit card the day before scheduled trip if departure time is before regular working hours. If car is returned after working hours, keys and credit card shall be returned to the travel coordinator.

8. All employees are required to wear seat belts, obey all traffic laws, and practice safe driving whenever traveling in PADD vehicles.

## 8.03 Use of Privately Owned Vehicles

(Revised 9/12/05)

Occasionally, PADD employees are required to use their personally owned vehicle for official PADD business. In this event, the employee shall be reimbursed according to the following guidelines.

1. The employee shall be reimbursed for all mileage over and above his/her normal daily driving to and from the employee's workstation. The workstation is defined as the location where an employee is stationed to perform his/her duties on a regular and on-going basis. The workstation shall not be limited to the PADD office in Hopkinsville. An employee may have more than one workstation. All employees will have their workstation(s) identified by the Executive Director of the organization.

2. An employee may be reimbursed for mileage calculated from home to a destination only when doing so represents a savings to PADD and when the employee is not reporting in to the work station for that particular day. In no event shall this amount be greater than the cost to PADD when traveling to the destination from the employee's workstation.

Except in cases when there are no staff cars available, POV travel must be approved by the employee's supervisor or Executive Director prior to the trip.

## 8.04 Reimbursement

Pennyrile Area Development District staff and Board members shall be reimbursed for expenses incurred in the discharge of their official duties. Staff should comply with the travel credit card procedures while traveling on business trips. Out-of-state airfare and meeting registration fees will be paid directly by PADD. Out-of-pocket travel expenses will be reimbursed upon submittal and approval of travel vouchers. Board members are responsible for travel expenses with reimbursement made by PADD upon submittal and approval of travel vouchers unless other arrangements have been made.

Reimbursement allowed for out-of-state POV travel, in lieu of airfare, shall not exceed the total trip cost for coach class air travel. Calculation of cost will include mileage, per diem, lodging, parking. cabs, shuttle buses and consideration of necessary time factors.

### A. Mileage

Mileage rates for vehicles while on official duty shall be at the rate authorized by the PADD Board of Directors.

Effective October 1, 2005, the mileage reimbursement rate for board members and staff will be set in accordance with the Federal Government's standard mileage rate (currently 48.5 cents per mile) and will be updated annually.

### B. Lodging

Lodging shall be reimbursed at the actual cost.

### C. Per Diem

(Revised 9/12/05)

For travel of more than 10 hours duration, the following shall apply:

Per diem will be paid at a rate approved by the Board for each 24 hour period/quarter (6 hour period) or for each fraction thereof.

Effective October 1, 2005, individuals will be reimbursed at the rate of $39 for meals and incidental expenses (the standard CONUS rate as defined in Appendix A of Chapter 301 of the Federal Travel Regulations), unless the destination is defined as a key city. Rate for key cities will then apply. These rates will be updated annually on October 1st.

A list of rate and key cities is listed at the PADD website http:/172.28.129.3/PADDNET/ or www.gsa.gov/perdiem.

### D. Other Allowable Travel Expenses

Expenses that will be reimbursed are:

toll charges (receipts required for out-of-state only)
registration fees (documentation required)
parking and cabs (receipts required)
porter fees
other expenses incurred which the Executive Director authorizes and approves

## 8.05 Payment Procedures

Completed employee travel vouchers requesting reimbursement for travel expenses shall be submitted to the Accounts Payable Clerk on or before the 1st day of each month. If the 1st falls on Saturday or Sunday, then travel will be due on the preceding Friday (30th or 31st). White copies of approved travel requests, room receipts, and cab and parking receipts (where applicable) must be attached. Odometer readings must be recorded if using personal car. If using staff car, mileage readings are not necessary.

The Accounts Payable Clerk will, at a minimum:

- Insure that proper documentation is attached to the voucher.
- Insure that the travel requests have the proper authorization, dates, etc.
- Check to insure that the proper per diem rate, mileage, hotel charges and other charges are calculated correctly and generally allowable.
- Perform math checks for accuracy of reimbursement request.
- Perform other tasks that may be necessary to insure proper reimbursement.

Once the travel vouchers are properly prepared and checked, the Accounts Payable Clerk will deliver them to the appropriate supervisor for approval. The supervisor will check the vouchers for accuracy, approve and return to the Accounts Payable Clerk with any corrective action noted. Travel checks should be issued on or about the fifth day of each month.

**IMPORTANT:**

**Employees should pay close attention to insure that travel charge elements and time charge elements match. Employees may be liable for costs incurred by PADD due to audit exceptions caused by carelessness.**

## Section 9: Operating Policies

### 9.01 PENNYRILE AREA DEVELOPMENT DISTRICT CODE OF ETHICAL CONDUCT

**WHEREAS**, the General Assembly of the Commonwealth of Kentucky has enacted legislation requiring all cities and counties to enact and enforce a Code of Ethics governing the conduct of public employees and elected officials no later than January 1, 1995; and

**WHEREAS**, the Pennyrile Area Development District is comprised of nine (9) county governments and thirty three (33) cities and is committed to the operation of a regional planning development agency that manifests the highest moral and ethical standards among its employees; and

**WHEREAS**, employment with the Pennyrile Area Development District is recognized as a public trust requiring diligent effort, personal commitment and sensitivity to the public's confidence in the integrity of its employees.

**NOW THEREFORE, BE IT ORDAINED** by the Board of Directors of the Pennyrile Area Development District as follows:

Section 1. Title
This Resolution shall be known as the "Pennyrile Area Development District Code of Ethics".

Section 2. Purpose and Authority
It is the purpose of this resolution to establish a Code of Ethics for the Pennyrile Area Development District and provide for its application.

Section 3. Standards of Conduct.
A. Staff members shall demonstrate the highest standards of personal integrity, truthfulness, honesty, and responsibility in the performance of their duties, assignments and tasks in order to inspire public confidence and trust in the Pennyrile ADD and local government and shall seek to improve the quality and image of regional services and local public services. Staff members of the Pennyrile ADD hold positions of public trust and shall approach their work with dedication and shall strive to understand and promote the purpose, role and responsibilities of the Pennyrile ADD and local governments.

B. No staff member shall use, or allowed to be used, any information, not generally available to the members of the public, which was received or acquired during the course of and by reason of the staff members employment by the Pennyrile Area Development District, for the purpose of securing financial gain for the staff member, any member of the staff member's immediate family as defined in KRS 45A.445, or any business organization with which the staff member is associated through employment, ownership, or other vested interest.

C. Staff members shall be dedicated to the concepts of effective and democratic local government by responsible elected officials and shall accept and support the decisions of these local officials concerning the objectives and nature of the professional services to be performed, unless the course of action to be pursued involves conduct which is unethical or violates the laws of the Commonwealth.

Section 4. Conflicts of Interest.
A. No staff member shall participate nor act in any work project in any manner where he, a member of his immediate family as defined in KRS 45A.445; or a business organization in which he has an interest has a direct or indirect financial and personal involvement that might reasonably impair his objectivity or independence of judgment.

B. No staff member shall undertake any separate employment or service, compensated or not, which might reasonably be expected to prejudice his independence or judgment in the exercise of his duties as employee of the Pennyrile Area Development District.

C. No staff member shall solicit or accept any gift having a value of One Hundred and 00/100 Dollars ($100.00) or more, whether in the form of money, service, loan, travel, entertainment, hospitality, value or promise or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence the staff member in performance of his or her duties as employee of the Pennyrile Area Development District.

D. All staff members shall refrain from the personal use of any public property, equipment or personnel unless such use as been specifically authorized by the executive committee or board of directors of PADD.

Section 5. Nepotism.

No employee, Board member or appointed official shall advocate the employment of a family member to a position of employment with the Pennyrile Area Development District. Should an applicant turn out to be a family member of an employee, board member or appointed official, that employee, board member or appointed official shall notify the Personnel and Finance Committee of the Pennyrile ADD of the relationship and refrain from any influence in the personnel process.

Section 6. Financial Disclosure.

A. Staff members whose property is involved or adjacent to a project supported by efforts of the PADD; such as a road, park, industrial, housing or water and sewer project, whose property would be enhanced, is required to make sufficient disclosure of personal interest to the Personnel and Finance Committee of the Pennyrile ADD. Staff members shall make full disclosure in any project or program in which they might gain personally beyond the benefits that would accrue to all other citizens affected by the project. Such disclosure shall be made in writing to the Personnel and Finance Committee of the Pennyrile ADD.

B. In addition, any staff member who serves on any Board, Commission, or local governmental entity shall disclose that activity in writing to the Personnel and Finance Committee of the Pennyrile ADD.

Section 7. Code of Ethics Board.

The Personnel and Finance Committee of the Pennyrile ADD shall serve as the Board to administer the Code of Ethic Conduct. This body shall be the custodian of all records regarding this Code of Ethics and may hold hearings and take appropriate action on issues that come before it, including reprimands and dismissals.

Section 8. The effective date of this Code of Ethics is January 9, 1995.

Adopted the 9th day of January, 1995, by the Board of Directors of the Pennyrile Area Development District.

9.02

# PENNYRILE AREA DEVELOPMENT DISTRICT
# DRUG FREE WORKPLACE POLICY

## POLICY STATEMENT

It shall be the policy of the Pennyrile Area Development District that its workplace shall be drug-free in compliance with the Drug-free Workplace Act of 1988 (PL 100-690, Title V, Subtitle D). This publication provides details of this policy, a statement on dangers of drugs in the workplace, sources of information and assistance and is the basis of a form each employee is required to sign assuring compliance.

It is the policy of the Pennyrile Area Development District that no employee shall engage in unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in the workplace of the Pennyrile Area Development District. Controlled substances are those described in KRS 21 8 A.020 through KRS 218 A.140. The purpose of this policy is to avoid the dangers of drugs in the workplace as described further in this publication. Another purpose is to advise employees of available sources of counseling, rehabilitation, and employee assistance.

Each employee is notified hereby that they shall notify the Chairman or Executive Director within five (5) days of any criminal drug statute conviction for a violation in the workplace. Within 30 days, the Pennyrile Area Development District must take action as appropriate. Any employee violating the terms of this policy statement is subject to immediate dismissal. Employees found to be abusing drugs, but not convicted of any drug statute violation, will be subject to and including termination or be required to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes. The employer is not required to pay for this rehabilitation.

## DRUG-FREE WORKPLACE

Drug abuse has an effect on many things, including absenteeism, productivity, number of health and accident claims, morale of other workers and employee turnover. The cost of drug abuse has been currently estimated at more than $10 billion per year. Problem drinking costs the country about $33 billion per year.

Beneath the statistics--lost time, money and productivity-- is a great deal of human suffering. People who abuse chemicals tend to be very erratic in their behavior toward others. They'll be warm and pleasant one moment, vicious and cruel the next. Their empathy becomes increasingly impaired the more preoccupied they become by their drug of choice. This is intensely painful to family member and particularly destructive to children in their formative years.

Problem drinkers and drug abusers also tend to lose interest in things they once loved and enjoyed. Self hatred builds because at some level these people realize they are failing themselves and their families. They act contrary to their own moral beliefs, and this increases their pain.

Financial and legal troubles are common in families with alcohol and drug abusers. Abusers earn less money because of the lost hours at work, and their overall earning power is adversely affected. What money is left is frequently spent unwisely, much of it going to buy drinks or drugs.

## DRUGS WITH POTENTIAL FOR ABUSE

**Barbiturates** (Nembutal, Seconal, Amytal, Tuinal, etc.) These are central nervous system depressants that are highly addictive both mentally and physically; they have a high potential for causing overdose reactions and severe and dangerous withdrawal complications.

**Minor tranquilizers** (Librium, Valium, etc.) These have an effect similar to barbiturates and alcohol but are less powerful in their effect and less likely to produce physical and psychological dependency, although psychological dependency is still very common among users.

**Narcotics** (Opium, Morphine, Heroin) These drugs act upon the central nervous system and parasympathetic nervous system to reduce pain, induce sleep and give a general calming effect. They are very physically and psychologically addicting and, because of the haphazard manner in which they are manufactured and sold, frequently are used in excess.

**Stimulants** (Amphetamines, Cocaine) These are drugs that affect the central nervous system, causing increased alertness and activity and bringing on a feeling of confidence and well-being. They cause psychological dependency but their ability to cause actual physical dependency is not clear. They can have negative psychological effects when overused.

**Hallucinogens** (LSD, Mescaline, Psilocybine, PCP, etc.) These drugs act upon the central nervous system and produce changes in perception with accompanying excitement to the user. They are not likely to cause psychological or physical dependency. They are somewhat unreliable in their effect and may cause extreme anxiety reactions or panic states in some users.

**Marijuana** The active ingredient in Marijuana is THC, which is sometimes classified as an hallucinogen. The actual amount of this chemical in Marijuana is quite low, however, and hallucinations are rare. It generally has an intoxicating effect and may heighten sensory perception, especially auditory perception. There are almost no observably physical effects due to Marijuana use. It can produce a psychological dependence somewhat similar to caffeine and has no potential for physical dependence.

**Volatile Substances** (gasoline, paint thinner, lighter fluid, airplane glues, etc.) These substances act on the central nervous system and produce an intoxicating effect. They can be extremely dangerous, causing either brain damage or death from overdose.

**Caffeine and nicotine** These can also be described as drugs. Their physical effects are well documented, they are both psychologically addicting and nicotine can be physically addicting to some people. This viewpoint is such a radical departure from popular opinion, however, that it would probably be more distracting than helpful to include it in discussions of employee assistance programs.

## TREATMENT

If you have a drug problem the following care centers can help through counseling and family counseling.

**PENNYROYAL REGIONAL MENTAL HEALTH-MENTAL RETARDATION BOARD, INC.**
**COMPREHENSIVE CARE CENTERS**

Pennyroyal Regional MH-MR
11 5 McGoodwin Street
Princeton, KY 42445

Pennyroyal Regional MH-MR
1303 W. Noel Avenue
Madisonville, KY 42431

West KY MH-MR Board
1530 Lone Oak Drive
Paducah, KY 42101

Pennyroyal Regional MH-MR
735 North Drive
Hopkinsville, KY 42240

Pennyroyal Regional MH-MR
506 Hopkinsville Street
Greenville, KY 42345

*Additional drug abuse and addiction treatment centers may be available in your community.

# DRUG-FREE WORKPLACE CERTIFICATION

Pennyrile Area Development District certifies that it will provide a drug free workplace. It will accomplish this by publishing the following statement and by establishing a drug free awareness program.

EMPLOYEES are hereby notified that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance** is prohibited in the workplace. As a condition of employment, employees will:

*Abide by the terms of the attached statement.

*Notify the employer of any criminal drug statute convictions for a violation occurring in the workplace no later than five days after such conviction.

**PENALTIES** for drug abuse violations occurring in the workplace will include:

*Taking appropriate personnel action up to and including terminatin; or,

*Requiring the employee to participate satisfactorily in an appropriate drug abuse assistance or rehabilitation program.

**THE DRUG FREE AWARENESS PROGRAM** is intended to inform employees about:

*The dangers of drug abuse in the workplace;

*The employer's intent of maintaining a drug free workplace;

*Any available drug counseling, rehabilitation, and employee assistance programs; and

*The penalities that may be imposed upon employees for drug abuse violations occurring in the workplace.

**EACH EMPLOYEE MUST BE GIVEN A COPY OF THIS STATEMENT.**

**PLACE OF PERFORMANCE** (Street, Address, City, County, State, Zip) of work done in connection with the specific grant, if not at the following address.

Pennyrile Area Development District
300 Hammond Drive
Hopkinsville, KY 42240

_____ _____
(Employee Signature) Date

**Controlled Substance in schedules I through V of KRS 218A and further defined in the Kentucky Administrative Regulations.

9.03

# PENNYRILE AREA DEVELOPMENT DISTRICT
# OPEN RECORDS POLICY

I. All requests for inspection of public records of PADD must be submitted to the Pennyrile Area Development District, 300 Hammond Drive, Hopkinsville, Kentucky 42240. The request must be in writing and include the following information:

1. Name, mailing address and telephone number of the individual requesting to inspect the records.

2. The specific record(s) the requester wishes to inspect. (A form is attached to aid citizens in making their request and also for PADD to distribute in response to requests).

II. The Executive Director of PADD is the official custodian of all records of the Pennyrile Area Development District. Office hours normally are from 8:00 AM until 4:30 PM, local time, Monday through Friday, except for recognized holidays and except for other items as may be requested by PADD for the efficient operation of this office.

1. Upon receipt of a written request, PADD will set a time, within three working days, when a requester may inspect the requested records. If the set time is not convenient for the requester, then PADD will attempt to coordinate a new inspection time convenient to all parties, but it may exceed three working days.

2. Should the requester want photocopies of the records, PADD will make a reasonable effort to accommodate the request, provided it does not disrupt normal office routine. Requesters must understand that a request for copies may take additional time.

3. PADD may, at their discretion, charge 25 cents per page of copied material. Any fees shall be paid before the copies are made.

III. The PADD office shall make every effort to be as responsive as possible to the public in regards to the access of PADD records. Failure of any employee to cooperate shall be viewed as a direct violation of the Personnel Policies and the employee shall be subject to the disciplinary actions set forth in those policies.

IV. Certain records are not public records. Those that are not public are specified in federal and state law. Pennyrile Area Development District cannot make those exempted records available for public inspection.

REQUEST TO EXAMINE
PENNYRILE AREA DEVELOPMENT DISTRICT
PUBLIC RECORDS

NAME: _____

MAILING ADDRESS: _____

_____

_____

_____

TELEPHONE: _____

This request is submitted by the above named person to examine the following listed records of PADD:

_____

_____

_____

_____

Instructions: Please be specific. If you are unsure what the record is called, please try to describe it in as much detail as possible or call someone and obtain the name of the document. This will help the PADD Office obtain the correct record and avoid wasting your time and staff time. NOTE: In accordance with state law, "blanket" type requests will not be honored.

After you have completed this request deliver or mail it to:

Pennyrile Area Development District
300 Hammond Drive
Hopkinsville, KY 42240

You should receive a response in three working days.

9.04

# PENNYRILE AREA DEVELOPMENT DISTRICT PROCUREMENT POLICY

**Section 1.1: AUTHORIZATION OF CONTRACTS:**

a. Every contract for the purchase of services, materials, supplies, equipment, or for contractual services, shall be authorized or approved by the Executive Director of the Pennyrile Area Development District (PADD). Legal counsel for PADD shall review every contract of the Pennyrile Area Development District, as to form and legality, except contracts for small purchases.

**Section 1.2: SELECTION OF VENDORS AND CONTRACTS (PROCEDURES FOR SEALED BIDDING):**

a. Each program administrator, department head, or staff member, requiring supplies, services or equipment shall submit to the Executive Director, or his designee, a request containing specifications and quantities desired.

b. The Executive Director, or his designee, shall determine the need for each item requested, approximate costs, and whether or not the expenditure is approved for in the PADD budget.

c. Any expenditure or contract for materials, supplies, equipment, or for contractual services, other than professional, involving an expenditure of Twenty Thousand and 00/100 Dollars ($20,000.00), or more, shall be subject to competitive bidding.

d. The Executive Director, or his designee, shall place an advertisement in the newspaper of the largest circulation in the Counties served by the Pennyrile Area Development District, at least once, not less than seven nor more than twenty-one days before the bid opening. The advertisement shall include the time and place where the specifications may be obtained by interested bidders. The advertising shall further state that the Pennyrile Area Development District (or the programs which it administers) will consider the lowest and/or best bid in making this determination to award a contract.

e. The Executive Director, or his designee, shall open all bids publicly at the time and place stated in the advertisement (Invitation to Bid) and shall select the lowest and/or best bid of the qualified bidders. If the lowest bid is not selected, the reasons for the selection shall be stated in writing.

**Section 1.3: PROCEDURES FOR DETERMINATION OF QUALIFICATIONS OF BIDDERS:**

a. The bidders shall upon request furnish, in writing, information concerning contracts completed in the past two years relative to similar services or products which are the subject to the invitation to bid initiated by PADD. Bidding instructions issued by PADD shall inform bidders of the necessity of the foregoing and shall further include the type of information required of the bidders based on the nature of the product or service which is the subject of the Invitation to Bid.

b. PADD reserves the right to make further inquiry of each bidder, either prior to the opening of bids or following the opening of the bids as to qualifications of each respective bidder.

c. Contractors who have demonstrated, by past performance, the ability to perform satisfactorily, in accordance with contracts, on a timely basis, and have demonstrated a sound financial structure, should be eligible to be qualified as responsible bidders.

d. In the event that any bidder is determined unqualified, the Executive Director, or his designee, shall make a written determination as to the reason that said bidder is not qualified for the particular type of supplies, services, or equipment sought in the invitation to bid issued by PADD.

**Section 1.4 NON COMPETITIVE NEGOTIATION:**

a. PADD may contract with or purchase through non competitive negotiation, in lieu of advertisement of bids, for amounts exceeding $20,000.00 in the following circumstances:

1) An emergency exists which would cause harm to PADD or the programming as a result of the delay in the competitive procedure;

2) All bids received exceed the budgeted amount;

3) The contract is for professional services;

4) The contract is for group life insurance, professional liability insurance, workers compensation insurance, or unemployment insurance;

5) The contract is for the purchase of supplies at reduced prices that will afford the purchase, at savings, to PADD.

6) Contracts with the Commonwealth of Kentucky or other units of local government.

**Section 1.5 SMALL PURCHASE PROCEDURES:**

a. All expenditures of less than $20,000.00 shall be considered a "small purchase" which under ordinary circumstances shall not be subject to competitive bidding, so long as said expenditures is provided for in the PADD budget (or other budget which PADD may administer), unless the Board of Directors at the Pennyrile Area Development District direct otherwise.

b. The Executive Director, or his designee, may determine the need for any item requested and whether or not the contract is for less than $20,000.00 and the expenditure is provided for in the budget.

c. For all "small purchases" as defined herein, the Executive Director, or his designee, may use non competitive negotiation for the services or products, or solicit written quotes or proposals directly from the vendors.

**Section 1.6 COMPETITIVE NEGOTIATION:**

a. PADD may contract or purchase through "competitive negotiation" upon a determination of the following:

1) The nature of the product or service desired are such that specifications cannot be sufficiently specific to permit an award of contract on the basis of either the lowest bid or best bid, including, but not limited to, developmental research work, complex or integrated equipment, technical services, or non standard supplies or services.

2) Sealed bidding is impractical or inappropriate because there are limited sources of supply or production.

3) Bid prices received through sealed bidding are unresponsive, exceed budget allocations, or, otherwise, unreasonable as to either the nature of the product or the price of the product or services.

b. Upon a written determination that "competitive negotiation" shall be utilized, in such event, the Executive Director, or his designee, shall solicit through public advertisement, or other demonstrated means of notifying a reasonable number of qualified providers so as to be consistent with the nature and type of the subject of procurement.

c. Written or oral discussion may be conducted with all prospective vendors who submit proposals pursuant to this procedure. Discussions with potential vendors shall not result in the disclosure of any information derived from other competing offerors.

**Section 1.7 HOLD HARMLESS CLAUSE:**

a. All contracts executed on behalf of PADD concerning the purchase of services or products shall contain a "hold harmless clause", whereby the vendor, provider of services, or seller agrees to hold PADD harmless from any liability concerning the use of their product or the receipt of their services.

**Section 1.8 DISPOSITION OF SURPLUS PROPERTY:**

a. ***Real Property***:

1) In the event that the Board of Directors of Pennyrile Area Development District determine that certain tracts of real estate are "surplus" in nature, and that it is in the best interest of PADD to dispose of said real property, the Executive Director, or his designee, shall make a written statement which describes the property, including the date of acquisition, the present use, and the reason why it should be declared surplus. The Board of Directors of Pennyrile Area Development District reserve the right to transfer the property to another governmental agency, the amount of compensation to be received, and whether the property shall be sold at public auction, by sealed bids, or through negotiations.

2) In the event the Board of Directors of PADD declare real property as surplus, the property shall be appraised by a competent independent appraiser which shall be the basis of any negotiated sale of the real property.

b. ***Tangible Property***:

1) The Executive Director may determine that certain items of personal property or tangible property are no longer needed or serviceable.

2) If no use for the property can be found, the Board of Directors of the Pennyrile Area Development District may declare the property as surplus and the Executive Director, or his designee, may dispose of the item or items by sealed bids, or at public auction. All sales should be given to the highest bidder.

**Section 1.9 ANCILLARY PROCUREMENT POLICIES:**

a. It is acknowledged that PADD does administer certain programs on behalf of other public entities through contract, joint venture, or otherwise. In such events, it is further acknowledged that the public entity or agency that is the subject of the collaboration with PADD may have adopted a procurement policy, or otherwise be subject by operation of law, to certain procurement standards. In such event, PADD may implement and abide by the more restrictive terms of procurement adopted by the collaborating agency or entity.

b. It is further acknowledged that PADD serves, from time to time, as a "fiscal agent" or "sub recipient" on behalf of other Boards, Commissions, Committees, Public Entities, or Associated groups. In such event, procurement requirements relative to said relationship may fall outside of the procurement policy adopted on behalf of PADD depending on the nature of the relationship by and between PADD and the associated entity, and the applicable state or federal laws.

## Section 10: ADOPTION STATEMENT

The above printed policies were reviewed and adopted by the Pennyrile Area Development District Executive Committee on this the _____ day of _____, 2002.

These policies will become effective on July 1, 2002.

PENNYRILE AREA DEVELOPMENT DISTRICT

_____
Chairman

ATTEST

_____
Secretary

# Attachment E

(Attach applicant's organizational code of conduct)

KHC employees are bound by the Executive Branch Code of Ethics contained in KRS Chapter 11A.

KHC employees are expected to exercise the utmost discretion in all matters relating to the corporation whether they occur on or off the job. Each employee's conduct must, at all times, be in a manner befitting his or her status as a representative of KHC. Employees must avoid any action that might adversely affect the credibility of the Corporation.

*Mickey Garner*

**Russell County Judge Executive**

Phone: (270) 343-2112
Fax: (270) 343-2134
email: rcfisct@duo-county.com

P.O. BOX 397
Jamestown, KY 42629

Kentucky NSP2 Consortium
ID# 424285668

## CODE OF CONDUCT

All employees of Russell County will utilize the attached Russell County Code of Ethics, and all revisions as adopted by the Russell County Fiscal Court, as the Code of Conduct for the County. Each employee is provided a copy upon employment and copies of any revisions upon adoption by the Fiscal Court.

Mickey Garner

Mickey Garner
Russell County Judge-Executive

7/1/09
Date

Copy

Attn: Judy

ORDINANCE # 94-12

AN ORDINANCE RELATING TO THE ESTABLISHMENT OF A CODE OF ETHICS FOR COUNTY OFFICIALS AND EMPLOYEES IN RUSSELL COUNTY, KENTUCKY.

WHEREAS, the Russell County Fiscal Court has the authority pursuant to KRS Chapter 65, to enact an ordinance establishing a code of ethics to guide the conduct of elected and appointed officers and employees of Russell County, including members of the fiscal court, the County Attorney, County Clerk, Jailer, Coroner, Surveyor, Constable and the Sheriff; and

WHEREAS, public office and employment are a public trust and government has a duty both to provide their citizens with standards by which they may determine whether public duties are being faithfully performed, and to apprise their officers and employees of the behavior which is expected of them while conducting their public duties; and,

WHEREAS, it is the purpose of this ordinance to provide a method of assuring that standards of ethical conduct for local government officers and employees shall be clear, consistent, and uniform in their application, and to provide local officers and employees with advice and information concerning possible conflicts of interest which might arise in the conduct of their public duties.

THEREFORE, BE IT ORDAINED BY THE FISCAL COURT, COUNTY OF RUSSELL, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

I. DEFINITIONS

A. "Business associate" includes the following:
   1. a private employer;
   2. a general or limited partnership, or a general or limited partner within the partnership;
   3. a corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners and officers of such a corporation;
   4. A corporation, business association, or other business entity in which the county government officer or employee

serves as a compensated agent or representative.

B. "Business organization" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation, or any legal entity through which business is conducted for profit;

C. "Candidate" means any individual who seeks nomination or election to a county government office. An individual is a candidate when the individual:

1. files a notification and declaration for nomination for office with the county clerk or the Secretary of State; or
2. is nominated for office by a political party under KRS 118.105, 118.115, 118.325, or 118.760.

D. "County government agency" means any board, commission, authority, nonstock corporation, or other entity formed by the county government or a combination of local governments.

E. "County government employee" means any person, whether compensated or not, whether full-time or part-time, employed by or serving the county government or county government agency who is not a county government officer, but shall not mean any employees of a school district or school board.

F. "County government officer" means any person, whether compensated or not, whether full-time or part-time, who is elected to any county government office; or any person who serves as a member of the governing body of any county government agency or special taxing or nontaxing district, but shall not mean any officer of a school district or school board.

G. "Member of immediate family" means a spouse, an unemancipated child residing in an individual's household, or a person claimed by the individual or individual's spouse as a dependent for tax purposes.

H. "Rule of necessity" means the county government, agency or district may make or enter into a contract in which an officer or employee or members of his immediate family or a business associate has an economic interest if (a)the nature of the transactions and the nature of the interest is publicly disclosed on the record prior to the time it is engaged in, and (b) a specific finding is made by the county government, agency, or district and entered on the official record of the proceedings of the governing body that, notwithstanding the conflict, it is in the

best interests of the local government because of limited supply, price, or documented emergency.

II. STANDARDS OF CONDUCT

ARTICLE 1

A. No county government officer or employee shall act in his official capacity in any matter where he, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect financial or personal involvement that might reasonably be expected to impair his objectivity or independence of judgment, save a determination as a rule of necessity the action is necessary.

B. No county government officer or employee shall be prohibited from giving or receiving an award publicly presented in recognition of public service, commercially reasonable loans made in the ordinary course of the lender's business, or reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearance, ceremonies or fact-finding trips related to official county government business.

C. No county government officer shall be prohibited from accepting a gratuity for solemnizing a marriage.

D. No county government officer shall be deemed in conflict with these provisions if, by reason of his participation in the enactment of any ordinance, resolution or other matter required to be voted upon or which is subject to executive approval or veto, no material or monetary gain accrues to him as a member of any business, profession, occupation or group, to any grater extent than any gain could reasonably be expected to accrue to any other member of such business, profession, occupation or group.

III. FINANCIAL DISCLOSURE

ARTICLE 1

A. The following individuals shall be required to file a financial disclosure statement:

1. Elected officers;

2. Candidates for elected office:

B. The financial disclosure statement should include the following information:

1. name of filer;

2. current business address,

3. title of filer's public office or office sought;

4. occupations of filer and spouse;

5. name, address, and telephone number of each source of income from within the Commonwealth of Kentucky of both the filer and spouse which exceeded ten thousand dollars ($10,000) during the preceding year;

7. the location and type (commercial, residential, agricultural) of all real property within the county, other than the filer's primary residence, in which the filer or any members of the filer's immediate family had an interest of ten thousand dollars ($10,000) or more during the preceding year.

C. All financial disclosure statements shall be open records. Each individual or organization requesting to view financial disclosure statements shall complete a form giving full name, address, telephone number and organization/individual represented if other than individual making request. One copy of this form shall be attached to the statement so requested and shall become a part of the record.

D. The financial disclosure statement shall be on a form provided by the local ethics commission. The financial disclosure statement shall be filed annually by officers no later than April 30. Candidates shall be required to file the statement no later than twenty-one (21) days after the filing date or the date of nomination. Newly-appointed officers and employees should be required to file their initial statement no later than twenty-one (21) days after the date of appointment.

E. The financial disclosure statement should be filed with the local ethics commission by all filers who are subject to the jurisdiction of the Commission. Failure to do so will result in a fine of $500.

## IV. NEPOTISM

### ARTICLE 1

No county government officer or county government employee shall act in his/her official capacity to hire or cause to be hired any member of his/her immediate family at an hourly pay rate or with benefits in excess of any other employee with similar job duties, responsibilities and qualification requirements.

## V. COUNTY ETHICS COMMISSION

### ARTICLE 1

A. A Russell County Ethics Commission is hereby created which shall have the powers to enforce all provisions of the Code of

Ethics adopted by Ordinance #_____.

B. The commission shall be composed of five (5) members to be appointed by the fiscal court from lists submitted by the county clerk, county attorney, jailer, and sheriff and of three names submitted by the Russell County Chamber of Commerce. The appointments shall be for a term of four (4) years and each may be appointed to one additional consecutive term. Terms will be staggered to provide continuity.

C. Decisions of the county ethics commission regarding violations may be appealed to the circuit court.

D. The county judge/executive with approval of the fiscal court shall fill vacancies in the event of a resignation or if a vacancy occurs due to the ineligibility of the members.

E. No public official or candidate for office may serve on the Ethics Commission.

F. The county clerk shall be the official custodian of all records and filings as required by this ordinance and same shall be lodged with the county clerk for public inspection.

This Ordinance shall take effect JAN 1, 1994.

INTRODUCED, SECONDED AND GIVEN FIRST READING APPROVAL at a duly convened meeting of the Fiscal Court of Russell County, Kentucky, held on the 14 day of NOV, 1994.

GIVEN SECOND READING AND ADOPTED at a duly convened meeting of the Fiscal Court of Russell County, Kentucky, held on the 12 day of DEC, 1994.

Charles Smith
CHARLES SMITH, JUDGE/EXECUTIVE
RUSSELL COUNTY, KENTUCKY

ATTEST:

Brigette Popplewell
BRIGETTE POPPLEWELL
RUSSELL COUNTY CLERK

Kentucky NSP2 Consortium
ID# 424285668

*Board of Directors*

Dr. Jo Ann Rooney
*Board Chair*

Mr. Mark F. Wheeler
*Past Board Chair*

Mr. James S. Goldberg
*Treasurer*

Mr. F. Lynn Luallen
*President*

Mayor Jerry E. Abramson
*Ex Officio Member*

Mr. J. Barry Barker
Mr. Tim J. Barry
Mr. Steven E. Bogus
Mr. William B. Gatewood
Mr. Rick Guillaume
Mr. Daniel Hall
Mr. David C. Howard, Jr.
Mr. Rob Locke
Ms. M. Diane Murphy
Ms. Lisa Payne
Mr. Michael A. Ringswald
Ms. Becky Roehrig
Mr. William L. Skees, Jr.
Mr. Joseph P. Tolan
Mr. Robert B. Vice
Mr. Billie W. Wade
Mr. Leonard A. Watkins
Ms. Tracy E. Williams
Ms. Marita A. Willis
Mr. Richard F. Wimsatt

July 2, 2009

Ms. Anne Chaney
Office of Federal Grants
1024 Capital Center Drive
Suite 340
Frankfort, KY 40601

RE: The Housing Partnership, Inc.'s Code of Conduct

Ms. Chaney,

Enclosed you will find the relevant pages from our Employee Handbook which govern the Code of Conduct that we expect from all of our employees. This version of our handbook was adopted on July 1, 2009.

Please let me know if you need anything further in this regard.

Regards,

Mike Hynes
Executive Vice President
enc

333 Guthrie Green, Suite 404 • Louisville, KY 40202
Phone: 502.585.5451 • Fax: 502.585.5568
www.WeAreHPI.org

NeighborWorks CHARTERED MEMBER
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## Ethics Policy - Employees

The Housing Partnership, Inc. is a community sponsored organization and must always have the highest standards of honesty and integrity as we operate our business. Each of us must maintain the highest standards of ethical behavior to assure the continued confidence of our clients, vendors, partners and other stakeholders. The Housing Partnership, Inc.'s fundamental principles in this connection are that:

- Every Housing Partnership, Inc. employee must follow all federal, state and local laws that apply to the conduction of the business. These laws may vary from place to place each employee is responsible for to knowing and abiding by different or additional local requirements wherever he is working on behalf of HPI.
- The Housing Partnership, Inc. will do its best to alert employees to important legal matters affecting its operations. However, employees also bear responsibility for advising higher management of issues or changes of which they become aware. Every employee must seek the guidance of management when questions about laws, regulations or other legal obligations arise.
- The policy and practice of The Housing Partnership, Inc., is to provide equal employment opportunity and nondiscriminatory access to its facilities and services. This includes all matters related to employment, access to the programs offered by HPI and home ownership opportunities provided by the Partnership. The Housing Partnership, Inc. prohibits unlawful discrimination on the basis of race, color, religion, gender, national origin, age, disability, military status, sexual orientation/preference, opportunities for home ownership and other legally protected characteristics.
- Bribes and "kickbacks" are strictly forbidden. Both the acceptance of and the offering of bribes, kickbacks, or other unlawful payment(s) in any form may never be accepted by anyone acting on behalf of HPI. No gifts may ever be offered to or accepted from government officials for any reason whatsoever.

HPI prohibits the preferential treatment of members of the governing body, voluntary board, personnel or consultants in application for and receipt of the Corporation's services. HPI also prohibits the practice of steering or directing referrals of its applicants, clients, or their families to a private practice in which the Corporation professional personnel or consultant may be engaged. Professional staff who leave the Corporation for private practice shall not solicit the services of clients of the Corporation for a period of one year.

Employees and paid consultants of HPI shall have no direct or indirect financial interest in the assets, leases, business transactions or professional services of the Corporation unless mutually agreed to in writing by the HPI President. Any such agreement must be disclosed to the Executive Committee of the Board of Directors at the next meeting. HPI shall not accept payment or other consideration from another provider of services for referring applicants or clients to the provider of services or for referral to the Corporation. An employee of HPI accepts responsibility for personal behavior and ethical job performance beyond the requisites of ordinary employment. Staff membes of the Corporation are expected to:

1. Perform in a manner that will provide the highest quality of care for those served and understand that the Board of Directors and management must keep this goal of service above the personal needs and wishes of staff.

2. Carry out assignments for the Corporation in such a manner as to bring credit to the employee and the Corporation.
3. Refrain from personal and professional activities that might reflect on the integrity of the Corporation.
4. Refrain from activities that create or may create a conflict of interest.

This ethics policy cannot cover every action which might be prohibited. The Housing Partnership, Inc. will however, not engage in "word games" about these important principles. If an employee has any question about whether his conduct might violate the ethics policy or whether a practice may reflect badly on the Partnership, the employee has the responsibility to come forward for guidance. The President is always available to provide guidance. An employee who fails to do so will not be allowed to claim later that he *"didn't know"* that The Housing Partnership, Inc. prohibited the questionable conduct.

## Ethics Policy – Board of Directors

The Housing Partnership, Inc. (HPI) is a community sponsored organization and must always have the highest standards of honesty and integrity as we operate our business. Each of us must maintain the highest standards of ethical behavior to assure the continued confidence of our clients, vendors, partners and other stakeholders.

Members of the Board of Directors of HPI shall have no direct or indirect financial interest in the assets, leases, business transactions or professional services of the Corporation unless such interest is fully and timely disclosed in writing to the members of the Executive Committee.

HPI prohibits the preferential treatment of members of the governing body, voluntary board, personnel or consultants in application for and receipt of the Corporation's services. HPI also prohibits the practice of deliberately steering or directing referrals of its applicants, clients or their families to any entity that will result in the personal financial gain to a member of the Board of Directors.

No member of the Board of Directors may offer or accept any bribe, kickback or gift which might indicate intent to influence improperly the normal business relationship with The Housing Partnership, Inc. This does not apply to minor items commonly exchanged in business relationships, but even here discretion and common sense should be used. Occasional lunch, dinner or vendor-sponsored entertainment of nominal value which promote stronger business relationships are not prohibited.

The exchange of social amenities among vendors, sponsors, clients, Board Members and The Housing Partnership, Inc., employees is acceptable when reasonably based on a clear business purpose and within the bounds of good taste.

## Conflicts of Interest

Even the appearance of a conflict of interest is serious. Any conduct considered to be unethical will constitute grounds for terminating the relationship of a member of the Board of Directors. All of the circumstances that may be called "conflicts of interest," cannot possibly be covered here, however, some of them are:

» Ownership, in whole or in part, either directly or through a relative, of a vendor or competing enterprise without full disclosure to the Board of Directors as stated above.

» Relatives employed by or owning vendor companies or competing enterprises without full disclosure to the Board of Directors as stated above.

» Direct employment or retention as a consultant by a vendor company or competing enterprise without full disclosure to the Board of Directors as stated above.

» Serving as an officer or director of a vendor company or competing enterprise without full disclosure to the Board of Directors as stated above.

» Using membership on of the Board of Directors to avoid meeting legal, financial or moral responsibilities.

» Accepting gifts, gratuities or rebates from vendors, sponsors or clients that are outside the guidelines described within this document

» Any breach of integrity, such as falsifying any HPI related record

Any member of the Board of Directors who feels he/she may have a conflict of interest is required to notify immediately the Chair of the Board of Directors. This proactive procedure is designed to help avoid problems that can arise from an unintentional impropriety.

## Nepotism (Board of Directors)

No member of the Board of Directors, except the President of the Housing Partnership, Inc., may serve as an employee of the Corporation. No person may be given access to any counseling or education programs, financial resources or lenders or the opportunity to purchase housing based on a personal relationship with any member of the Board of Directors.

In conclusion, these ethics policies cannot cover every action which might be prohibited. Each member of the Board of Directors has the duty to discuss any potential conflict with this policy with the Chair of the Board to determine whether action is needed.

City of Ashland

# CODE OF ETHICS

Kentucky NSP2 Consortium
ID# 424285668

## 31.25 FINDINGS.

The Board of Commissioners find and declare that:

(A) Public office and employment with the city are public trusts.

(B) The government of this city has a duty to provide its citizens with standards by which they may determine whether public duties are faithfully performed, and to apprise its officers and employees of the behavior, which is expected of them while conducting their duties.
(Ord. 155-1994, passed 11-17-94)

## 31.26 PURPOSE.

It is the purpose of this subchapter to provide a method of assuring that standards of ethical conduct for city officers and employees shall be clear, consistent, and uniform in their application, and to provide city officers and employees with advice and information concerning possible conflicts of interest which might arise in the conduct of their public duties.
(Ord. 155, 1994, passed 11-17-94)

## 31.27 DEFINITIONS.

For the purpose of this subchapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

*BUSINESS ASSOCIATE.*

(A) A private employer;

(B) A general or limited partnership, or a general or limited partner within the partnership;

(C) A corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners, and officers of such a corporation;

(D) A corporation, business association, or other business entity in which the county government officer or employee serves as a compensated agent or representative.

*BUSINESS ORGANIZATION.* Any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation, or any legal entity through which business is conducted for profit.

*CANDIDATE.* An individual who seeks nomination or election to a city government office. An individual is a candidate when the individual:

(A) Files a notification and declaration for nomination for office with the County Clerk or the Secretary of State; or

(B) Is nominated for office by a political party under KRS 118.105, 118.115, 118.325 or 118.760.

*CITY.* The City of Ashland, Kentucky.

*CITY GOVERNMENT AGENCY.* Any board, commission, authority, non stock corporation, or other entity formed by the city government or a combination of city governments.

*CITY GOVERNMENT EMPLOYEE.* Any person, whether compensated or not, whether full-time or part-time, employed by or serving the city government, or city government agency who is not a city government officer.

*CITY GOVERNMENT OFFICER.* Any person, whether compensated or not, whether full-time or part-time, who is elected to any city government office; or any person who serves as a member of the governing body of any city government agency or special taxing or non-taxing district.

*FAMILY MEMBER.* Any relative who is first (1st) cousin or closer in relationship. (Ord. 155-1994, passed 11-17-94)

*MEMBER OF IMMEDIATE FAMILY.* A spouse, an unemancipated child residing in an individual's household, or a person claimed by the individual or individual's spouse as a dependent for tax purposes.

31.28 STANDARDS OF CONDUCT.

(A) No city government officer or employee or member of his immediate family shall have an interest in a business organization or engage in any business, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest.

(B) No city government officer or employee shall use or attempt to use his official position to secure unwarranted privileges or advantages for himself.

(C) No city government officer shall act in his official capacity in any matter where he, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect financial or person involvement that might reasonably be expected to impair his objectivity or independence of judgment.

(D) No city government officer or employee shall undertake any employment or service, compensated or not, which might reasonably be expected to prejudice his independence of judgement in the exercise of his official duties.

(E) No city government officer or employee shall be prohibited from giving or receiving an award publicly presented in recognition of public service, commercially reasonable loans made in the ordinary course of the lender's business, or reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished

in connection with public events, appearance, ceremonies or fact finding trips related to official city government business.

(F) No city government officer shall be prohibited from accepting a gratuity for solemnizing a marriage.

(G) No city government officer or employee shall use, or allow to be used, in his public office or employment, or any information, not generally available to the members of the public, which he receives or acquires in the course of and by reason of his office or employment, for the purpose of securing financial gain for himself, any member of his family, or any business organization with which he is associated.

(H) No city government officer or employee or business organization in which he has an interest shall represent any person or party other than the city government in connection with any cause, proceeding, application or other matter pending before any agency in the city government in which he serves.

(I) No city government officer shall be deemed in conflict with these provisions if, by reason of this participation in the enactment of any ordinance, resolution or other matter required to be voted upon, no material or monetary gain accrues to him as a member of any business, profession, occupation or group, to any greater extent than any gain could reasonably be expected to accrue to any other member of such business, profession, occupation or group.

(J) No elected city government officer shall be prohibited from making an inquiry for information or providing assistance on behalf of a constituent, if no fee, reward or other thing of value is promised to, given to or accepted by the officer or a member of his immediate family, whether directly or indirectly, in return therefore.

(K) Nothing shall prohibit any city government officer or employee, or members of his immediate family, from representing himself, or themselves, in negotiations or proceedings concerning his, or their, own interests.
(Ord. 155-1994, passed 11-17-94)

31.29 NEPOTISM.

After the effective date of this subchapter a member of the immediate family of a city officer shall not be initially employed or appointed to a position in the city. This provision shall not apply to a public officer's member of immediate family who, on the date of the officer's election or appointment, has been employed for at least six (6) months by the city. All family members must meet job qualifications.
(Ord. 155-1994, passed 11-17-94)

31.30 FINANCIAL DISCLOSURE.

(A) The following individuals shall be required to file a financial disclosure statement:

(1) Elected officers;

(2) Candidates for elected office;

(3) City Manager;

(4) All department directors;

(B) The financial disclosure statement shall include the following information:

(1) Name of filer;

(2) Current business address, business telephone number and home address of filer;

(3) Title of filer's public office or office sought;

(4) Occupations of filer and spouse;

(5) Positions held by the filer and any member of the filer's immediate family in any business organization or nonprofit entity from which the filer or any member of the filer's immediate family received compensation in excess of ten thousand dollars ($10,000.00) during the preceding calendar year, and the name, address, and telephone number of the business organization or nonprofit entity;

(6) Name and address of each source of income of the filer and spouse from within the Commonwealth of Kentucky which exceed ten thousand dollars ($10,000.00) during the preceding calendar year;

(7) Name and address of each business organization located within the Commonwealth in which the filer or any member of the filer's immediate family had an interest of ten thousand dollars ($10,000.00) at the fair market value;

(8) The location of all property within the county, in which the filer or any member of the filer's immediate family had an interest of ten thousand dollars ($10,000.00) or more during the past year;

(9) Any officer or employee, or any member of his immediate family, of the city government who shall have any private financial interest, directly or indirectly, in any contract or matter pending before or within any department or agency of the city government shall disclose such private interest to the Board of Commissioners in writing;

(10) Any officer or employee or a member of his immediate family, who has a private interest in any matter pending before the Board of Commissioners shall disclose such private interest on the records of the Board of Commissioners and shall disqualify himself from participating in any decision or vote relating thereto;

(11) Any officer or employee, or a member of his immediate family, of an independent agency or special district to which this code of ethics applies who shall have any private financial interest, directly or indirectly, in any contract or matter pending before or within such independent agency or special district shall disclose such private interest to the governing body of such agency or district.

(C) Each statement shall be signed and dated by the individual filing the statement of financial interest. Knowingly signing a fraudulent statement shall be a Class A misdemeanor.

(D) All pay and benefits shall be withheld until a non-complying officer or employee is in compliance with the filing requirements. Candidates and nominees who fail to comply with these filing requirements shall be fined fifty dollars ($50.00) for each day they are in non-compliance.

(E) The financial disclosure statements shall be filed with the City Clerk no later than February 15 of each year.
(Ord. 155-1994, passed 11-17-94)

31.31 CITY ETHICS COMMISSION.

(A) The City Ethics Commission shall consist of five (5) members; not more than one (1) member may be a public official. The commission member selected as chairperson shall be a citizen member. Members shall receive no compensation but it may be reimbursed all necessary expenses. The terms of members shall be staggered and no longer than four (4) years. The five (5) members shall be appointed by the Mayor, with the approval by the Board of Commissioners.

(1) All appointments shall be made no later than sixty (60) days after the adoption of this subchapter.

(2) Vacancies on the Ethics Commission shall be filled within sixty (60) days by the Mayor subject to the approval of the Board of Commissioners. If a vacancy is not filled by the Mayor within sixty (60) days, the remaining members of the Ethics Commission shall fill the vacancy. All vacancies shall be filled for the remainder of the unexpired term.

(B) Powers and Duties.

(1) The Ethics Commission may receive complaints and conduct investigations, inquiries, and hearings concerning any matter covered by this subchapter.

(2) The Ethics Commission may render advisory opinions whether or not a given set of facts and circumstances constitute a violation of any provision of this subchapter.

(3) The Ethics Commission shall prescribe and provide forms for reports, statements, notices, and other documents required by this subchapter.

(4) The Ethics Commission shall determine whether the required statements and reports have been filed and, if filed, whether they conform to the requirements of this code. The Commission shall promptly give notice to the filer to correct or explain any omission or deficiency.

(5) The Ethics Commission may retain private counsel at the expense of the city if the City Attorney has an actual or potential conflict. Any counsel must be pre-approved by the Board of Commissioners.

(C) Complaint procedure; preliminary investigations.

(1) (a) Upon a complaint signed under penalty of perjury by any person, or, the Ethics Commission shall investigate any alleged violation of this subchapter.

(b) No later than ten (10) days after the Commission receives the complaint, the Ethics Commission shall initiate a preliminary inquiry into any alleged violation of this subchapter.

(c) Within thirty (30) days of the commencement of the inquiry, the Ethics Commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(2) All Ethics Commission proceedings and records relating to a preliminary investigation shall be confidential until a final determination is made by the Commission, except the Commission may turn over to the Commonwealth's Attorney or County Attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(3) The complaint or alleged violator shall not publicly disclose the existence of a preliminary investigation, the Ethics Commission shall not publicly confirm the existence of the inquiry nor make public any documents which were issued to either party.

(4) The Ethics Commission shall afford a person who is the subject of a preliminary investigation an opportunity to respond to the allegations in the complaint. The person shall have the right to be represented by counsel, to appear and be heard and to offer evidence in response to the allegations in the complaint.

(5) Any person who knowingly files with the Commission a false complaint of misconduct on the part of any elected or appointed official or other person shall be guilty of a Class A misdemeanor.

(D) Action by Ethics Commission.

If the Ethics Commission concludes in its report that in consideration of the evidence produced at the hearing there is clear and convincing proof of a violation of this ordinance, the commission may:

(1) Issue an order requiring the violator to cease and desist the violation, which order may be public or private.

(2) In writing, publicly reprimand the violator for the violations and provide a copy of the reprimand to the Board of Commissioners and the City Manager.

(3) In writing, recommend to the Board of Commissioners and the City Manager that the violator be sanctioned as recommended by the Ethics Commission, which may include a recommendation for discipline or dismissal.

(4) Issue an order requiring the violator to pay a civil penalty of not more than one thousand dollars ($1,000.00).

(5) Refer evidence of criminal violations of this subchapter or state laws to the County Attorney or Commonwealth's Attorney of the jurisdiction for prosecution.

(E) Appeals.

Any person found by the Ethics Commission to have committed a violation of this subchapter may appeal the action to the Boyd Circuit Court. The appeal shall be initiated within thirty (30) days after the date of the final action of the Ethics Commission by filing a petition with the court against the Ethics Commission. The Ethics Commission shall transmit to the Circuit Clerk all evidence considered by the Ethics Commission at the public hearing. The court shall hear the appeal upon the record as certified by the Ethics Commission.
(Ord. 155-1994, passed 11-17-94)

C. Disciplinary Action:

1. Exceptions to this policy:

a. In the event that disciplinary action involves sworn police officers as defined in KRS Chapters 15 and 95, the provisions of KRS 15 and 95 shall apply. In addition, Ordinance No. 58, 1981, and amendments, shall supersede these policies and procedures with reference to sworn police personnel.

b. In the event that disciplinary action involves fire personnel, as defined in KRS Chapter 95, the provisions as stated in KRS 95 shall apply.

c. In the event that disciplinary action involves civil service personnel, the provisions of Ordinance No. 43, 1953, and amendments, shall apply.

2. The policy of the city is to be fair and consistent in the administration of its rules, regulations and procedures, including these policies and procedures. When problems arise, emphasis is on improvement and/or correction rather than punishment. However, willful, continued, or inexcusable breaches of employment rules, regulations and procedures must be dealt with firmly in accordance with a uniform policy that applies to all employees.

3. An employee may be disciplined for (but not limited to) the following:

a. Incompetence;

b. Inefficiency;

c. Dishonesty, which shall include:

(1) Deliberately making or using falsified records, materials, requisitions, etc.;

(2) Lying;

(3) Unauthorized use of city property;

(4) Theft of property;

(5) Deliberate waste;

(6) Falsifying the Employment Application Form.

d. Immoral or improper conduct;

e. Neglect of duty, which shall include:

(1) Excessive absenteeism;

(2) Repeated failure to be at workstation at starting time;

(3) Leaving assigned work area without permission;

(4) Failure to attend scheduled meeting;

(5) Refusal to accept reasonable work assignment;

(6) Stopping work before specified time;

(7) Deliberate interruption of work;

(8) Loitering, loafing or sleeping on job;

(9) Unsatisfactory work or attitude.

f. Neglect or mishandling of equipment;

g. Failure to keep time cards accurately or completing another employee's time card;

h. Fighting or horseplay on duty at any time;

i. Attempting bodily injury to another person;

j. Failure to observe safety rules, including failure to immediately report to the Department Director an accident or injury occurring while at work to a person or to property in which the employee was involved;

k. Abusive or obscene language;

l. Discourtesy to the public or fellow employees;

m. Conviction of a felony or a crime involving moral turpitude, in accordance with KRS 335B;

n. Untidy attire, torn uniforms, and other failures to maintain a clean, neat appearance;

o. On-duty or off-duty activities that discredit the individual or organization or cause inefficiency in performing assigned duties including failure to pay property or other city taxes in a timely manner, failure to obtain necessary city permits, etc.

p. Reporting to work under the influence of intoxicants or illegal drugs.

q. Using, manufacturing, distribution, dispensation, possession or selling intoxicants or illegal drugs on city premises and/or while at work on-duty (including lunch time) or while conducting city business off city premises;

r. Carrying or purchasing alcoholic beverages while on duty or in a city vehicle, except for official purpose;

s. Gambling on city premises and/or while at work on-duty (including lunch time);

t. Carrying, possessing or storing a deadly weapon while on-duty, or upon city property, including vehicles and equipment owned or controlled by the city while on-duty or off-duty except as listed below.

(1) Specific exceptions:

(a) Sworn police officers of the city.

(b) Animal Control officer of the city or an employee acting officially in the capacity of the Animal Control officer as approved by the Director of Public Service.

(2) Deadly weapon means:

(a) Any weapon from which a shot, readily capable of producing death or other serious physical injury, may be discharged;

(b) Any knife, except an ordinary pocketknife or other knife routinely used in the performance of city duties;

(c) Billy, nightstick or club;

(d) Blackjack or slapjack;

(e) Nunchaku karate sticks;

(f) Shuriken or death star; or

(g) Artificial knuckles made from metal, plastic or other similar hard material.

u. Improperly discussing or disclosing confidential information;

v. An accumulation of minor infractions;

w. Failure to follow any rule, regulation, and operating procedure or job requirement not specifically mentioned above.

4. When an employee fails to follow any rule, regulation, operating procedure or job requirement, one of the following measures shall apply, depending upon the circumstances involved and the severity of the offense:

a. Verbal warning (reprimand):

(1) In the case of a minor infraction, the immediate supervisor or Department Director shall administer a verbal reprimand without rancor and explain the actions necessary to correct the problem as soon as possible after the offense.

(2) The date of the reprimand, along with a description of the occurrence which prompted the reprimand, actions necessary to correct the problem, and any comments the employee may have made, shall be noted and placed in the employee's departmental personnel folder by the person giving the reprimand. (NOTE: See OAG-83-114 reference Police Officers and this policy.)

b. Written warning:

(1) In the case of a second minor infraction, in the event that more severe initial action is warranted, or if the oral warning has not resulted in the expected improvements, the immediate supervisor or Department Director shall give the employee a written warning specifying the reason(s) for such warning and noting any previous verbal and/or written warnings.

(2) Written warnings shall state that the employee's performance will now be reviewed on a regular basis for improvement and explain the consequences of continued infractions.

(3) The employee shall sign the written warning or a witness other than a peer shall sign the warning; a copy of the written warning shall be forwarded to the Human Resources Office to be placed in the employee's personnel folder.

c. Suspension:

(1) After either a serious violation or repeated minor violations, the immediate supervisor or Department Director shall either:

(a) Suspend the employee until the City Manager reviews the violation(s); and/or

(b) Request in writing that the employee be suspended. The request shall include the reason(s) for the suspension and details of previous disciplinary action taken against the employee.

(2) The City Manager may suspend an employee with or without pay for a period up to and including one calendar month, depending upon the severity of the offense; however, a maximum time limit shall not apply when an employee is suspended due to an investigation of an alleged criminal or administrative offense.

(3) The employee shall be notified of the suspension in writing within five (5) working days after review of the offense by the City Manager. The notice shall include the reason for the suspension, and the duration of the suspension shall be given (if known).

(4) Employees suspended without pay in excess of one calendar month may forfeit fringe benefits during the period, including time-off-with-pay benefits and the city's contribution to other benefits that require direct financial costs.

d. Dismissal:

(1) Employees may be dismissed when an offense is continually repeated, misconduct is committed which is serious enough to warrant discharge on the first offense, continued inefficiency, or inability to perform the duties of the position satisfactorily.

(2) In the event that dismissal is warranted, the Department Director shall forward a recommendation to the City Manager. The recommendation shall include the reason(s) for the dismissal, details of any previous disciplinary action taken against the employee, and the recommended effective date and time of discharge.

(3) Final and formal discharge of an employee shall be the responsibility of the Board, subject to recommendations by the City Manager.

5. Any disciplinary action which could potentially result in dismissal shall require that a pre-disciplinary hearing be offered by the City Manager or designee to the employee prior to the determination of the dismissal. If the hearing is held, both the employee and the city shall have the opportunity to be represented by legal counsel and call witnesses as necessary.

6. Any employee who feels unjustly disciplined may appeal the disciplinary action through the city's grievance procedure.

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Cross-reference:

See Grievance Procedure, Appendix A