

DMFCU Employee Handbook

**June
1997**

Hello!

First, welcome to the Denver Municipal Federal Credit Union. It is a great pleasure to welcome you as a new member of our team. We encourage you to strive to realize your career potential and professional success as our employee. The success of this credit union is built on a firm foundation of common bond, democracy and self-help. This foundation supports our ability to meet the challenges that each year brings. Our continuing focus is to provide quality member service, strengthening our partnership and enhancing our financial resources.

Second, as our employee, we are committed to you. We value your contribution and, through consistent communication, education and ongoing support, we will encourage your personal and professional development. We want you to succeed!

*Finally, and most importantly, you have joined a team with a commitment to our members/owners. **Our mission** is to provide service excellence to the best of our abilities through consistently effective, efficient and personable employee performance!*

Again, Welcome aboard!

*Carla Hedrick
President/Chief Executive Officer*

Considerations of Employment

The employee manual is intended to provide you with an overview of human resource policies, rules, guidelines, procedures, compensation and benefits for the purpose of understanding and performing within the work place. This information is provided as a matter of information only and is subject to change, suspension or cancellation at any time, with or without notice, in whole or in part, at the discretion of the Denver Municipal Federal Credit Union (DMFCU). **Nothing in this manual shall create or is intended to create, or shall be construed to constitute a contract of employment, expressed or implied.**

Affirmation of Truth and Accuracy

All efforts employed by me in the performance of my duties and responsibilities will be true and correct. Any misrepresentation, falsification, unauthorized destruction or concealment of any records/information, manual and electronic will be reason for non-consideration for employment and/or dismissal after hire. Employee theft, fraud, forgery, dishonesty or intentional violation of DMFCU rules, internal controls, regulations or procedures is not acceptable and may be a violation of municipal, state and federal laws and may result in criminal prosecution.

Employee Representations

In consideration of my employment, I acknowledge that I have received and completed a DMFCU Employment Application and received the DMFCU Employee Handbook. My employment can be terminated, with or without cause, and with or without notice, at any time, at the option of DMFCU or myself. I understand that no supervisor or manager or representative of DMFCU, other than the President/Chief Executive Officer or designee, has any authority to enter into any contract, agreement, understanding or statement with regard to employment, and that no employment relationship shall be binding with DMFCU unless it is in writing and signed by the President/Chief Executive Officer or designee.

Employee's Name

Date

c: Employee File

MISSION STATEMENT

Our mission is to provide service excellence to the best of our abilities through consistently effective, efficient and personable employee performance!

EMPLOYMENT

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION

The Denver Municipal Federal Credit Union is an Equal Opportunity Employer (EOE) and does not discriminate on the basis of age, race, sex or sexual orientation, pregnancy, marital status, creed, national origin, veteran status, or disability. The DMFCU extends equal employment opportunity in consideration of all employment relationships including recruitment, hiring, position upgrading or downgrading, promotions, demotions, transfers, position eliminations, position recalls, disciplinary actions and terminations. The DMFCU voluntarily accepts Affirmative Action efforts which promote the representation of women, minorities, disabled individuals (who have demonstrated that they can, with or without a reasonable accommodation meet the essential functions of a job), veterans, disabled veterans, and Vietnam-Era veterans. Questions regarding equal employment opportunity, affirmative action, disability and related subjects should be directed to:

Human Resources

Denver Municipal Federal Credit Union
1075 Acoma Street - Denver, Colorado 80204

IMMIGRATION LAW

In compliance with federal immigration laws, DMFCU employees are required to provide satisfactory evidence of their identity and legal authority to work in the United States of America by no later than three (3) business days after beginning work and, as requested or required, periodically thereafter.

BONDING

To be eligible for hire and to maintain active employment all employees must be bondable. All DMFCU employees are bonded against the loss of money or property due to theft, dishonesty or fraud. However, bonding does not release an employee from liability, prosecution or personal accountability for such loss.

PROBATION

A three (3) month probationary period shall apply to all new employees. After an assessment of an employee's performance, and at management's discretion, this probationary period may be shortened or extended.

EMPLOYEE RECORDS

As an employee, you are encouraged to maintain your own copies of documents you may receive relating to your employment, performance, discipline, recognition, compensation, benefits or other human resource activities. Your official human resources file contains original copies of these documents plus other information, such as Worker's Compensation, Unemployment Compensation, etc., to ensure compliance with governmental reporting requirements. The DMFCU reserves the right to establish document retention practices and to determine when exceptions may apply. Requests for information which may disclose personal information about other employees, operations or DMFCU membership will not be approved. Generally, employees are not charged fees for copies of their official employee records. However, at management's discretion, the DMFCU reserves the right to charge fees.

EMPLOYEE DISCIPLINE

An employee's performance is a major factor affecting the delivery of quality services to members. It is the responsibility of management to consistently monitor an employee's work efforts for compliance to established standards of performance. When management determines that an employee's performance is unsatisfactory or an employee's conduct is unacceptable, disciplinary action will be taken. The scope of progressive disciplinary actions may include initial oral warnings, written warnings and, if necessary, termination for cause.

ATTENDANCE

All employees are required to report to work as scheduled. Employees must notify (by telephone, fax, etc.) their immediate supervisor at least 30 minutes prior to their scheduled start-time in the event that they are unable to report to work as scheduled. Except in the case of an emergency, the supervisor must be contacted directly by the employee and not by the employee's spouse, relatives or friends. Failure to report to work as scheduled and on-time will result in disciplinary action as presented below.

DMFCU Attendance Standards*

Standard (satisfactory) Attendance - No unexcused, unscheduled absences.

Below Standard (unsatisfactory) - One (1) to six (6) unexcused, unscheduled absences within a twelve (12) month period. Employee will receive oral and written counseling to comply with Attendance Standards.

Progressive Discipline - Seven (7) or more unexcused, unscheduled absences within a twelve (12) month period. *Note: The employee's performance rating is automatically reduced by one-half (1/2) point for each unexcused absence.* An employee receives a written warning to comply with attendance standards and is subject to termination for failure to comply. An employee with an adjusted performance rating of 1.0 will automatically receive a *Final Warning* and is subject to immediate termination.

*Note: Departments may establish individual standards for particular work areas.

DMFCU RECORDS

Employees must ensure for the accuracy and maintenance of all reports, vouchers and financial documents. All records, manual and electronic, must not be destroyed except in accordance with prescribed procedures. Willful falsification of records may be a violation of federal laws and may result in disciplinary action, including termination.

FRAUD-VIOLATION OF DMFCU RULES, INTERNAL CONTROLS & PROCEDURES

Employee theft, fraud, forgery, dishonesty or intentional violation of DMFCU rules, internal controls, regulations or procedures is not acceptable. Upon disclosure, acts of this nature will be investigated and, if necessary, resolved through disciplinary, criminal or legal actions.

1. Manipulation of loan accounts, documents, computer record, and share or share draft accounts.
2. Theft of any kind, including stealing from members' accounts, overpayment of dividends, and creating fictitious loans.
3. Check/share draft kiting.
4. Forgeries.
5. Unauthorized or unapproved salary advances or overtime reimbursement.
6. Intentional violation of DMFCU rules, internal controls, regulations, or procedures.
7. Intentionally failing to secure collateral, to properly record a security interest in collateral, or pledging a member's shares as collateral without that member's permission.

Granting or requesting preferential treatment for ANYONE.

HARASSMENT

DMFCU maintains and enforces a policy demanding that an employee's rights shall not be infringed upon by another employee. It is our policy to discourage and prohibit any and all kinds of harassment, including sexual harassment, toward another employee at all levels of employment. If you feel there has been a violation of this policy you are urged to bring this matter to the immediate attention of your supervisor or the Director of Human Resources. Your concerns will be held in strict confidence, thoroughly investigated, and actions will be taken to achieve appropriate resolution.

JOB ABANDONMENT

An employee is considered to have abandoned their job when, for three consecutive days, they have not reported to work as scheduled and have not notified their immediate supervisor (i.e., *NO CALL, NO SHOW*). The employee will be notified by correspondence sent through the U.S. Postal Service, which will contain all accrued payment for vacation, sick leave and overtime, that their employment with the DMFCU has been terminated.

SAFEGUARDING AND CONFIDENTIALITY OF INFORMATION

DMFCU employees cannot divulge credit union records, plans or other data without proper authorization from their immediate supervisor or manager. Failure to comply will result in disciplinary action, including termination.

EMPLOYEE RELATIONS

Employees are encouraged to discuss and resolve any work related problems or misunderstandings with their immediate supervisor or manager. However, in the event that you are uncomfortable discussing matters with your immediate supervisor please feel free to consult with the Director of Human Resources who will maintain your desire for confidentiality while also seeking to resolve problems effectively and diplomatically.

EMPLOYEE SAFETY AND FIRST AID

If you become ill or injured at work, please notify your supervisor immediately. With your help, we can take preventive actions to help reduce work-place accidents and potentially unsafe conditions. First aid supplies (including aspirin, bandages, antiseptics and other preparations) are available within the office. In the case of an accident which requires a doctor's attention*, one (1) of three (3) courses of action will be taken:

1. The employee will be taken to their own doctor.
2. If the employee has no preference of doctor, the employee will be taken to an emergency medical center.
3. If the injured (or ill) employee cannot be moved, the emergency paramedics will be called.
4. Based on the length and circumstances of the illness or injury, at management's discretion, the employee may be required to produce a physician's written release prior to permitting the employee to return to work.

*** The President/Chief Executive Officer (or designee) must be notified immediately.**

DRUG AND SUBSTANCE USE POLICY

The Denver Municipal Federal Credit Union (DMFCU) is committed to a drug-free environment which provides for the delivery of quality services to credit union members. To achieve this, the DMFCU maintains a strict policy on the use of drugs, alcohol and other substances. This policy applies to all employees.

No DMFCU employee may use, possess, store, transfer, distribute, sell or purchase drugs, alcohol or any illegal substance while:

1. on company property;
2. engaged in the performance of duties;
3. participating in any DMFCU social activity, including DMFCU sponsored employee events; and
4. while operating a vehicle that is owned or leased by DMFCU.

This policy does not apply to employees who are under the direct care of a physician for prescribed drugs or medication. However, employees are encouraged to inform their supervisors if the use of a prescribed medication might cause side-effects which might impair their ability to perform.

For the purpose of this policy, illegal drugs are those which are prohibited or restricted by law and an employee engages in improper use regardless of whether such conduct constitutes an illegal act or whether the employee is criminally prosecuted or convicted.

Additionally, no employee may report to work, or remain on duty while under the influence of or impaired by any illegal drug or alcohol. DMFCU reserves the right to test an employee for alcohol or drug use when there is reasonable suspicion that an employee is under the influence of drugs or alcohol. Refusal to cooperate in such testing is grounds for termination.

Employees who do not comply with this policy are subject to disciplinary action including termination.

ETIQUETTE GUIDELINES

Denver Municipal Federal Credit Union (DMFCU) is committed to a safe, secure and comfortable environment which provides for the delivery of quality professional services to credit union members. To achieve this, the DMFCU maintains a strict policy on the use of our facilities and the conduct or behavior of employees and guests. This policy applies to all employees, members and guests.

Drugs - No DMFCU employee, member or guest may use, possess, store, transfer, distribute, sell or purchase drugs, alcohol or any illegal substance while on company property; engaged in the performance of duties; participating in any DMFCU social activity, including DMFCU sponsored employee events; and while operating a vehicle that is owned or leased by DMFCU.

Parking - For 1075 Acoma, employee parking is designated for the west side of the building, adjacent to the alleyway and the farthest south area of the main parking lot. Except for designated spaces, all employee parking will be provided on a "first-come, first-served" basis. Employees are not permitted to park in the member designated parking lot without prior written approval from their designated Vice President, Vice President of Human Resources, and the President/CEO.

For 1028 Acoma, employee parking is designated for the west side of the drive-up facility and at the east side of the drive-up facility adjacent to the alleyway. Member parking is not available nor authorized for this facility.

Training Room - Use of the training room must be approved in advance by the Vice President of Human Resources or the President/CEO.

Board Room - The Board Room is designated for the immediate use of the Board of Directors and, as authorized, designated committees. Any other use of the Board room must first be pre-approved by the President/CEO.

Supplies - Supplies are available and distributed by the Administrative Assistant, to supervisors only, on one (1) designated day each week. Access to supply areas is not permitted without the approval of the Administrative Assistant or a designee as authorized by the President/CEO.

Building Access - Employees must enter the 1075 Acoma facility through the main doors. Only opening and closing employees are permitted to access the 1075 Acoma facility from the alleyway entrances on the west side of the facility. Exceptions must be pre-approved by an employee's designated Vice President.

Lighting, Heating and Sound - Controls for heating, ventilation, air conditioning are pre-set to ensure a comfortable work environment. Only certified and authorized HVAC professionals are permitted to access and manipulate these controls. Additionally, the 1075 Acoma facility has been designed to efficiently handle acoustics. Employees, members and guests are encouraged to speak in a normal voice and to refrain from conducting loud conversations or making loud noises. Employees should report any concerns about general facility maintenance, repairs and service to the Vice President of Human Resources.

Personalize Your Space - Employees are requested to limit the number of personal items to be placed at or about your immediate work site. Only one (1) framed photograph is permitted at each work station. No photographs - of any kind - can be attached to any walls, windows, posts, poles, cabinets or any other structures without the prior approval of the Vice President of Human Resources. "Highly personalized"

work stations will not be permitted. Unauthorized postings by employees, members or guests will be removed and/or destroyed.

Break room/Employee Lounge/Lockers/Showers - The break room, employee lounge, lockers and showers are provided as a courtesy to employees. Employees will be responsible for "policing" and cleaning-up after themselves. Employees who do not comply will be prohibited from using these areas and, if necessary, will be subject to disciplinary action. Under no circumstances can any food be taken from the break room/employee lounge area to any carpeted or non-carpeted work areas. Eating and gum chewing are prohibited at all desks and work stations during working hours. Beverages are permitted at your desk or work station only when the official DMFCU mugs are used for this purpose.

Janitorial - The janitorial staff will ensure for the proper care of the facility. Additionally, employees are directed to conduct, on a daily basis, general housekeeping at and about their workstations. Failure to comply may result in disciplinary action. Employees should report any concerns about general facility maintenance, repairs and service to the Vice President of Human Resources.

Smoking - Smoking is not permitted within any DMFCU facility. However, employees, members and guests are allowed to smoke at the designated external location on the west side of the 1075 Acoma facility, as authorized. There are no exceptions to this policy.

Visitors - All members, potential members and guests will be greeted by the Receptionist. The Receptionist will then contact the appropriate employee, who will then promptly meet with the member, potential member or guest. All employees are encouraged to constantly monitor their work locations and to identify, and report to designated security staff members, any unauthorized individuals.

EMPLOYEE DRESS CODE

All employees are required to comply with these standards. Listed and displayed below is a summary of dress code apparel and grooming standards. When in doubt about the appropriateness of certain apparel, employees should request direction from their immediate supervisor.

General: Clothing styles should project a professional work environment to credit union members, and represent a positive image of both the employee and DMFCU.

**NORMAL
WORK DAYS**

- Employees are required to be well groomed at all times when engaged in the performance of their essential duties and responsibilities.
- Nylons must be worn by female employees.
- Ties with accompanying collared shirts, must be worn by male employees.

ACCEPTABLE

1. Dress slacks (ankle length), creased and pleated.
2. "Dress" corduroys.
3. Skorts which are creased and pleated with matching tops or jackets.
4. Business suites.
5. Sundresses and sleeveless shirts **only** when worn with a jacket.

but

Saturday's ONLY!

1. Business casual (Dockers, polos, button downs, etc.)
2. Denim shirts, pants, dresses, skirts or walking shorts.
3. Button down shirts, banded collared shirts.
4. Tennis shoes.

NOT ACCEPTABLE

1. Wrinkled clothes.
2. Torn clothes.
3. Stirrup pants of **ANY** kind, leggings, stretch pants or skirts.
4. Tops or dresses baring the midriff.
5. Skirts and skorts shorter than 3" above the knee.
6. Shirts or blouses which are intended to be tucked in

are not tucked-in.

7. Tank-tops, T-shirts, and tennis shoes.
8. **DENIM** of any kind.
9. Banded collared shirts.

DMFCU may schedule "theme days" which may permit alternative clothing. Staff will be informed of acceptable work attire on these special days.

Exceptions to the above dress code may be made by management based on the following: job requirements, medical/disability constraints and safety requirements. Failure to comply may result in disciplinary action.

COMPENSATION

WORK HOURS

The standard work week is 40 hours, five days a week with a 45 minute or one (1) hour daily lunch period provided. These hours may vary according to your department or involvement in special work schedules.

Hourly (Non-exempt) Employees: If you are in a non-exempt position (eligible for overtime), you will receive overtime compensation at a rate of one (1) and one-half (1/2) hours for time worked in excess of 40 hours per week. *All overtime hours must be approved in advance by your immediate supervisor.* Compensatory time is not provided to any DMFCU employee.

Salaried (Exempt) Employees: Generally, salaried positions are not eligible for overtime because they are compensated as exempt under the Fair Labor Standards Act (FLSA). These positions meet one (1) of the following three (3) briefly defined exemptions:

Executive Exemption - Position involves management of a DMFCU enterprise, department or division and supervises two (2) or more employees.

Administrative Exemption - Position involves non-routine/non-manual work directly related to DMFCU management policies or general business operations.

Professional Exemption - Position involves work requiring knowledge of an advanced field of learning customarily acquired by a prolonged course of specialized intellectual instruction and study (such as a Bachelor's degree or equivalent).

PAY INCREASES

After six (6) months from the employee's original date of hire and, providing the employee is performing at standard or better, an employee is eligible for a performance based increase. An employee's next eligible date for a pay increase will occur annually thereafter based on performance reviews. Compensation practices are subject to management's discretion.

PAYROLL RECORDS/TIME SHEETS

All employees are required to complete a time sheet for the payroll period most recently worked. Supervisors and managers are required to approve or "sign-off" on all time sheets for their immediate staff. Time sheets must be completed accurately and thoroughly and submitted to the Payroll/Accounting/DP Department before established deadlines. Unless an exception has been approved by the Vice President of Human Resources, Vice President of Finance or the President/Chief Executive Officer, time sheets received late will be processed retroactively and included in the next payroll period. It is the responsibility of supervisors and managers to ensure timely and accurate submission of time sheets.

PAYDAYS

Paydays are bi-weekly and occur every other Friday. Normally, there are two paydays each month, except for May and November which contain three (3) paydays. Please review the 1996 DMFCU

Paydays Schedule for a listing of all paydays, pay periods and related payroll processing activities. Pay check advances are not provided.

DIRECT DEPOSIT

In order to expediently and efficiently process payroll, all payroll is directly deposited to either an employee's DMFCU Share Savings account or Checking Account. You will receive a pay stub, verifying the deposit.

PAYROLL DEDUCTIONS

Required: Taxes (State of Colorado and Federal) and Social Security, MediCare, City of Denver (Head) Tax.

Voluntary: Accident-Sickness Income; Hospital-Medical Coverage; Additional Life Insurance; Credit Union Social Committee

OUT OF POCKET EXPENSES

Subject to supervisory approval:

- Out-of-pocket expenses incurred by employees in the performance of their assigned duties will be reimbursed.
- A company vehicle is available to conduct DMFCU business activities. Scheduling conflicts should be resolved through your immediate supervisor. All DMFCU vehicles are non-smoking vehicles.
- DMFCU will reimburse employees for using their personal vehicles for official credit union business at the current IRS allowable rate.

BENEFITS

We recognize the importance of health care for you and your family. DMFCU sponsored health program for 1997 offers two plans from which you may choose, with associated percentage of payment shown below. *Your coverage for benefits begins after you have satisfactorily completed your first sixty (60) days of employment. **Note: Payroll deductions for payment of benefit premiums may begin as early as one month after hire.***

MEDICAL CARE COVERAGE

The principal care providers offered are FHP (formerly Comprefcare) and Kaiser. Employee contributions are per pay period. **(Rates are effective for 1997 only, and may not reflect current contribution requirements. Please review your current benefits information packet or contact the individual plan provider for additional information.)**

Kaiser (Monthly premiums)

| <u>Coverage</u> | <u>Employee Contribution</u> | <u>DMFCU Contribution (Max is \$225)</u> | <u>Co-Pay Visit</u> | <u>Co-Pay Drugs</u> |
|------------------------|-------------------------------------|---|----------------------------|----------------------------|
| Single | \$ 0.00 | \$117.33 | \$5.00\$5, | Gen., \$10 Brd. |
| 2-Party | 10.06 | 225.00 | 5.00 | \$5, Gen., \$10 Brd. |
| Family | 114.67 | 225.00 | 5.00 | \$5, Gen., \$10 Brd. |

Kaiser is the largest and oldest state Health Maintenance Organization (HMO). It opened two new facilities in 1995: at 77th & Sheridan; and 14701 East Exposition (northeast corner at Sable and Exposition, East of Aurora Mall).

FHP (Monthly premiums)

DMFCU

| <u>Coverage</u> | <u>Employee Contribution</u> | <u>Contribution (Max is \$225)</u> | <u>Co-Pay Visit</u> | <u>Co-Pay Drugs</u> |
|------------------------|-------------------------------------|---|----------------------------|----------------------------|
| Single | \$ 0.00 | \$ 103.53 | \$10.00\$5, | Gen., \$10 Brd. |
| 2-Party | 0.00 | 214.37 | 10.00 | \$5, Gen., \$10 Brd. |
| Family | 77.07 | 225.00 | 10.00 | \$5, Gen., \$10 Brd. |

DENTAL PLAN

Two dental programs are provided. (Rates effective for 1996 only, and may not reflect current contribution requirements. Please review your current benefits information packet or contact the individual plan provider for additional information.)

Cigna (Monthly premiums)

| <u>Option</u> | <u>Coverage</u> | <u>Employee Contribution</u> | <u>DMFCU Contribution</u> |
|-----------------------|-----------------|------------------------------|---------------------------|
| DMO (Managed Care) | Single | \$ 0.00 | \$15.81 |
| | Two Party | 7.20 | 25.00 |
| | Family | 23.53 | 25.00 |
| INDEMNITY | Single | \$ 0.00 | \$23.55 |
| | Two Party | 22.10 | 25.00 |
| | Family | 49.27 | 25.00 |

DMO: You select a dentist from a list of participating dentists who are providing dental services through a community based network provided by Cigna Dental Health (CDH). This is generally the most frequently utilized preventive and restorative service with fees substantially below an individual dentist's usual and customary fees.

INDEMNITY: You select any licensed dentist of your choice. This option reimburses you according to an established schedule of usual and customary fees each time you receive care. You and your dentist are free to apply this benefit payment schedule to the treatment of your choice; however, you are responsible for the expenses incurred which exceed the established schedule of usual and customary fees. For this reason, CG recommends the use of Predetermination of Benefits (before dental work is started, your dentist's description of planned treatment and expected charges, including those for diagnostic x-rays is reviewed by CG) when dental charges are expected to exceed \$100.00.

Note: Certain dental services under Option I and Option III, such as services that do not meet common dental standards, are not covered, will not be included and no payment will be provided. Please review your Group Dental Plan Schedule to obtain specific information.

GROUP LIFE INSURANCE

Your coverage is currently two times your annual salary. The premium allocated to any amount over \$50,000 will be taxable to the employee. The maximum taxable amount is \$69.00 per year. You also have the option of purchasing additional voluntary group life insurance for yourself and/or your immediate family.

WORKERS COMPENSATION

All employees are covered by Workers Compensation Insurance for injuries incurred on-the-job. DMFCU's designated provider is Rose Healthcare Center.

In the event of a life or limb-threatening emergencies, the insured employee will be sent to the nearest emergency medical facility. Follow-up care must be provided by Rose Healthcare Centers. If an employee is treated by an unauthorized medical provider, *the employee may be responsible for payment of medical services received*. Note: Compensation benefits may be reduced by 50% for violating established DMFCU safety rules or drug/alcohol use policy.

DISABILITY

If you suffer a disabling injury or disease you may be eligible for disability leave at full pay for up to 90 calendar days based on your accumulated leave time (*Note: You must have satisfactorily completed your first ninety (90) days of employment.*). Maternity (or fraternity) leave will be considered a disability and will follow the same guidelines. Employees requesting disability leave must supply their supervisor with a physician's explanation of the amount of time they are required to be off work. Upon approval, the employee is eligible for time off as follows:

- Sick leave (only for the time in which the physician required the employee to be off work).
- Vacation leave
- Leave Without Pay

SHORT TERM DISABILITY

This benefit is not currently provided. Employees are encouraged, at their discretion, to seek individual insurance coverage.

LONG TERM DISABILITY

All regular full-time employees are provided with long term disability (LTD) insurance through CUNA Mutual Insurance. This coverage is fully paid by the credit union and covers long term injuries after 180 days of disability.

COBRA

The purpose of COBRA (the Consolidated Omnibus Budget Reduction Act) is to allow employees and dependents to elect to temporarily continue group health coverage (generally for an 18 to 36 month period) at group rates plus 2% when they otherwise would have lost coverage (as a result of a voluntary employee termination, divorce, death or other changes in benefit status).

UNEMPLOYMENT COMPENSATION

Unemployment Compensation is provided in the event of loss of employment. In compliance with Colorado law, DMFCU pays the full cost of this benefit. However, the DMFCU will contest payment of unemployment benefits to employees who have been terminated for cause.

RETIREMENT

For employees hired before August 1994, DMFCU contributes, to eligible employees, an amount equaling 10% of your annual salary toward your retirement after you have completed one year of employment. Below is a schedule of your non-forfeitable vested interest in a portion of your accrued retirement benefit.

| <u>Completed Years of Service</u> | <u>Non-Forfeitable Percentage</u> |
|---------------------------------------|---------------------------------------|
| < Less than 2 | - 0 - |
| 2* | 25% |
| 3 | 50% |
| 4 | 75% |
| > 5 or more | 100% |

* Employee must have worked a minimum of 1,000 hours per year to qualify.

For employees hired after August 1994, employees must complete a one (1) year waiting period before DMFCU contributions begin. After completing the waiting period, employees are automatically enrolled in the retirement plan on the next available enrollment date. The enrollment dates are the January 1st and July 1st of each year. All retirement plan payouts are generated only during the month of December, without regard to the date an employee terminates.

SOCIAL SECURITY/MEDICARE

Payroll deductions are made, as required by law, for all employees to the Social Security Administration. In addition to the employee's contribution, a matching contribution is made by DMFCU. The Social Security program provides important benefits for you at retirement age and for your family in the event of your premature death. It may also provide disability benefits. Rates and maximums, as set by the federal government vary periodically.

VACATION

Employees are eligible to take vacation after six (6) months of employment. The chart below displays the vacation hour accrual rates for regular full-time employees (FTE). Reminder: Vacations must be scheduled when it is mutually convenient for you and DMFCU.

| Vacation Years of Service | Vacation Accrual (Hours Earned per Year) | Vacation Accrual (Hours Earned per Month) | Accrual (Days Earned per Year) |
|--|---|--|---|
| 1 to 5 | 96 | 8 | 12 |
| 6 to 10 | 120 | 10 | 15 |
| 11 to 15 | 144 | 12 | 18 |
| 15 or more | 168 | 14 | 21 |

You begin earning vacation leave after you have satisfactorily completed your first sixty (60) days of employment. Time earned will be credited when your six (6) month anniversary is reached. Employees are eligible to take vacation leave after six (6) months of employment, having earned four (4) days of vacation. A maximum of 480 hours (12 weeks) may be accumulated. Upon termination and after completion of one (1) full year of employment, you will receive payment for any unused accrued vacation leave upon termination, at the same rate as your current salary.

Employees are required to take a minimum of 96 hours, at least one week (40 hours) of which must be consecutive, per year.

Vacation Leave Buy-Out

Any vacation leave in excess of 80 hours may be sold back to the credit union at the same rate as your current salary (taxed as income received), however, you must maintain a minimum balance of 80 sick leave accrual hours and, *you must have first used a minimum of 96 hours*. This may only be done twice during the year. Note: Vacation Leave Buy-Out requests must be received by Payroll/HR in time for the timely processing of payroll.

HOLIDAYS

In summary:

- Ten (10) holidays are observed on odd numbered years, which includes one (1) *Personal Day*.
- Eleven (11) holidays are observed on even numbered years, which includes two (2) *Personal Days*.

| <u>Holiday</u> | <u>Observed On</u> |
|-----------------------------|--|
| New Year's Day/January 1 | |
| Martin Luther King Day | 3rd Monday in January |
| President's Day | 3rd Monday in February |
| Memorial Day | Last Monday in May |
| Independence Day | July 4 |
| Labor Day | 1st Monday in September |
| Veterans' Day | November 11 |
| Thanksgiving Day | 4th Thursday in November |
| Christmas Day | December 25 |
| 1 or 2 <i>Personal Days</i> | <i>A personal day is also provided when an employee works Election Day (even numbered years) and Columbus Day.</i> |

SICK LEAVE

The chart below displays the sick leave accrual schedule for regular FTEs. Reminder: Employees must notify their immediate supervisor at least 30 minutes prior to their scheduled start-time in the event that they are unable to report to work as scheduled. Excessive use of sick leave may result in disciplinary action.

| Accrual (Hours Earned per Month) | Maximum Accrual (Days Earned per Year) | Maximum Hourly Accrual for FTE |
|---|---|---|
| 8 | 12 | 480 |

You begin accruing sick leave after you have satisfactorily completed your first sixty (60) days of employment. A maximum of 480 hours of sick leave may be accumulated. Any sick leave accumulated over 480 hours is automatically transferred to the employee's vacation leave. Upon termination, and after completion of one (1) full year of employment, you are eligible to receive payment for any unused sick leave, at the same rate as your current salary.

Sick Leave Buy-Out

Any sick leave in excess of 80 hours may be sold back to the credit union at the same rate as your current salary (taxed as income received), however, you must maintain a minimum balance of 160 sick leave accrual hours. This may only be done twice during the year. Note: Vacation Leave Buy-Out requests must be received by Payroll/HR in time for the timely processing of payroll.

SICK LEAVE - INCENTIVE

In order to deliver quality services to members, ensure for the smooth operation of credit union programs, and enhance the performance of both individual employees and employee teams - employees must be at work during their scheduled times. As an incentive to encourage excellence in employee attendance and to reduce sick leave abuse, employees are provided an incentive bonus for unused sick leave. Regular full-time employees who have not used any sick leave between December 1st and November 30th will receive a \$250.00 bonus. Regular part-time employees (20 hours per week or more) who have not used any sick leave between December 1st and November 30th will receive a \$125.00 bonus.

WELLNESS PROGRAM

As an incentive for employees to be involved in a Wellness Program, DMFCU will pay \$15.00 per month (a maximum of \$180 per year) towards any fitness program.

FUNERAL LEAVE

Any accrued leave time (sick, vacation, personal) may be used for funeral leave as approved by your supervisor.

HEALTH AND SAFETY BENEFITS

"Blood Bank" With your donation of 2 units of blood per year, Denver General Hospital's Blood Bank will provide you and your family with blood at a minimum cost. Coverage begins with your first donation.

"Take A Cab On Us" If a situation occurs, at any time, that causes you to become unable to drive home, DMFCU will pay for your cab fare. Upon submitting a receipt to your supervisor, you will be reimbursed. No questions asked.

Employee Assistance Program An initial, confidential, no-cost, consultation for employees and their families is available through Human Resources, with referrals to FHP, Kaiser or other diagnostic and treatment services as provided through the employee's health/medical coverage.

EDUCATIONAL OPPORTUNITIES

WALK-A-MILE PROGRAM

The Walk-A-Mile Program allows employees to spend time in other departments learning operations such as lending, teller services, member services, accounting/DP, marketing and cross-selling. This program gives employees the opportunity to explore other areas of interest as well as understand how the departments affect one other. Arrangements for walking-a-mile in another department should be made with your supervisor.

CREDIT UNION CERTIFICATE PROGRAM

Certificate courses are available to all full-time employees through the Colorado Credit Union League. DMFCU will pay for the cost of the course for those employees receiving a grade of "B" or better.

OTHER EDUCATIONAL OPPORTUNITIES

As part of our employee development program, DMFCU has an educational reimbursement program to assist you with job related subjects. Conditions of eligibility:

- Maximum benefit is \$1,000 year.
- You must be employed as a regular full-time or part-time employee and have a minimum of one year of continuous service.
- Your latest Employee Performance Appraisal must show an overall rating of "STANDARD" or better.
- Your course or program selection must relate to your employment at DMFCU.
- You must have completed the course with a satisfactory grade of "B" or better.

Application Process: You must submit a written proposal to the Training Specialist which must include a course outline or program curriculum. Prior to enrollment, your application must be approved by the Training Specialist, Director of Human Resources and the President/CEO.

Reimbursement: Upon completion of the course(s), you must submit a receipt for payment and your final grade(s).

DMFCU MEMBERSHIP

As an employee of DMFCU you are eligible to take advantage of all membership benefits.

CHECKING ACCOUNTS

DMFCU employees are provided a fee-exempt checking account, which may be opened at the time of employment. Complimentary checks are provided to the employee under the following guidelines:

1. Checks are ordered through DMFCU check vendor.
2. One box of checks is ordered at a time.

*All employees are expected to maintain sufficient funds in their checking account to cover all checks written. **Checking account abuse will result in closure.***

LOANS

Should an employee find it necessary to borrow funds for personal needs, a loan application must be submitted to the Vice President of Lending. Applications for an employee's immediate family members should also be submitted to the Vice President of Lending. *All employee loan applications are required to be reviewed by the Loan Review Committee and approved by the Board of Directors.*

OTHER DMFCU MEMBERSHIP BENEFITS

Membership Service/Benefit

Is A Fee Charged?

Savings Account

| | |
|--|----|
| Christmas/Vacation Club early withdrawal fee | No |
| Money Market withdrawal fee (under \$2,500) | No |
| Withdrawal fee (after 1st each month) | No |

Checking Account

| | |
|---|------------|
| Account reconciliation/research | No |
| Monthly service charge | No |
| Permanent checks | No |
| Photocopy of cancelled check | No |
| Returned check [Non-sufficient funds (NSF)] | Yes |
| Stop payment | No |
| Temporary checks | No |

Other Fees

| | |
|--------------------------|-----|
| Account history printout | No |
| Cashier's check | No* |
| Early account closure | No |
| Membership entrance | Yes |
| Money order | No* |
| Notary service | No |

| | |
|---|-----|
| Returned deposit/collection items | Yes |
| Returned statement or no address | Yes |
| Periodic payment/Tellerphone check charge | No |
| Tellerphone (24-hour audio response) | No |
| Traveler's checks | No |
| Wire transfer | Yes |

Credit Cards

| | |
|--|-----|
| ATM access card | No |
| Replacement (VISA credit, VISA debit, or ATM access cards) | Yes |
| Replacement (check guarantee or membership cards) | Yes |
| VISA credit card | No |
| VISA debit card | No |

* Limit of 3 free per month.

EMPLOYEE ACTIVITIES

EMPLOYEE SOCIAL COMMITTEE

This committee was established to recognize employee birthdays, births, weddings and other events. Funds are gathered through a voluntary \$1.00 per payday contribution from employees. With 100% employee participation, DMFCU will contribute an additional \$15.00 per month.

"I MAKE A DIFFERENCE"

This is an award given quarterly to an employee who has done an outstanding job and "gone above and beyond the call of duty" to help other employees or members during the quarter. Comments from members and employees are considered by a committee made up of staff and management to determine the quarterly winner. Criteria for winning the award includes: excellent member service, communications skills, team work with co-workers, attendance, participation in both community service activities and in educational opportunities. The quarterly winner receives:

- Certificate of Recognition
- Name and photo on plaque in lobby of each office
- \$50 cash!
- Designated parking space
- Lunch with the President/CEO

EMPLOYEE COMMUNICATIONS

Unauthorized solicitations of employees, by print (handbills, notices, etc.), telecommunications (fax, telephone, modem, etc.) or through other media, on DMFCU premises (including official off-site activities) is prohibited. This prohibition applies both to employees during working time and to non-employees, including members. Solicitations for resignation, retirement, weddings, births, etc., should be directed to the Social Committee or to the Director of Human Resources.

DMFCU News & Views is a monthly newsletter published by and for employees. If you have items of interest for other employees or if you are interested in becoming a reporter please contact the Marketing Department.

GIFTS

Employees should not accept gifts or gratuities from individuals and firms which the DMFCU has, does or plans to engage in business activities. If you have questions about any gifts please ask your supervisor or the Director of Human Resources.

ADVERSE WEATHER CONDITIONS

In the event of early morning adverse weather conditions, please contact your supervisor to verify whether DMFCU will be open.

EMPLOYEE TERMINATIONS

Employees resigning their position are requested to notify their immediate supervisor at least two weeks in advance.

- Notices of less than two weeks may compromise departmental staffing and delay termination processing.
- **Upon notice to voluntarily terminate, an employee must immediately return to DMFCU all supplies and equipment including keys, credit cards and work related documents.** Subsequently, and until the last scheduled day of work, the terminating employee will coordinate access to and from their work location with their immediate supervisor.
- Upon termination, all inquiries regarding your previous employment should be directed to the Director of Human Resources. Please note, DMFCU employees and management do not disclose reasons for employee terminations or provide employment references. However, DMFCU (Director of Human Resources) will verify dates of employment.

REGULAR PART-TIME EMPLOYEES

The following is a summary of benefits for regular part-time employees. *(Note: Employees working less than twenty (20) hours per week become eligible for benefits only as specified below.)*

LIFE INSURANCE

Part-time employees shall receive life insurance coverage of two (2) times their salary for regularly scheduled work.

MEDICAL HEALTH CARE

Part-time employees shall receive pro-rated employer contribution to medical health care insurance in accordance with the following work schedule, based on a total maximum scheduled work period of forty (40) hours:

- Under twenty (20) hours: **No contributions.**
- Twenty (20) through twenty-nine (29) hours: 1/2 contributions.
- Thirty (30) through thirty-nine (39) hours: 3/4 contributions.

However, part-time employees shall contribute the balance of the premium cost for participation in the medical health care program in order to receive the employer's contribution.

Kaiser (Monthly premiums)

| <u>Coverage</u> | Employee Contribution <u>20 - 29 hrs.</u> | (50%) DMFCU Contribution <u>20 - 29 hrs.</u> | Employee Contribution <u>30+ hours</u> | (75%) DMFCU Contribution <u>30+ hours</u> |
|-----------------|---|--|--|---|
| Single | \$ 0.00 | \$112.50 | \$ 0.00 | \$168.75 |
| Two Party | 122.56 | 112.50 | 66.31 | 168.75 |
| Family | 227.17 | 112.50 | 170.92 | 168.75 |

Co-Pay for Office Visits is \$5; Co-Pay for Prescription is \$5, Gen., \$10, Brd.

FHP (Monthly premiums)

| <u>Coverage</u> | Employee Contribution <u>20 - 29 hrs.</u> | (50%) DMFCU Contribution <u>20 - 29 hrs.</u> | Employee Contribution <u>30+ hours</u> | (75%) DMFCU Contribution <u>30+ hours</u> |
|-----------------|---|--|--|---|
| Single | \$ 0.00 | \$112.50 | \$ 0.00 | \$168.75 |
| Two Party | 101.87 | 112.50 | 45.62 | 168.75 |
| Family | 189.57 | 112.50 | 133.32 | 168.75 |

Co-Pay for Office Visits is \$10; Co-Pay for Prescription is \$5, Gen., \$10, Brd.

DENTAL INSURANCE**Cigna** (Monthly premiums)**DMO (Managed Care)**

| Employee Contribution | (50%) DMFCU Contribution | Employee Contribution | (75%) DMFCU Contribution |
|--------------------------|-----------------------------|--------------------------|-----------------------------|
|--------------------------|-----------------------------|--------------------------|-----------------------------|

| <u>Coverage</u> | <u>20 - 29 hrs.</u> | <u>20 - 29 hrs.</u> | <u>30+ hours</u> | <u>30+ hours</u> |
|-----------------|---------------------|---------------------|------------------|------------------|
| Single | \$ 3.31 | \$12.50 | \$ 0.00 | \$18.75 |
| Two Party | 19.70 | 12.50 | 13.45 | 18.75 |
| Family | 36.03 | 12.50 | 29.78 | 18.75 |

INDEMNITY

| <u>Coverage</u> | Employee Contribution <u>20 - 29 hrs.</u> | (50%) DMFCU Contribution <u>20 - 29 hrs.</u> | Employee Contribution <u>30+ hours</u> | (75%) DMFCU Contribution <u>30+ hours</u> |
|-----------------|---|--|--|---|
| Single | \$11.05 | \$12.50 | \$ 4.80 | \$18.75 |
| Two Party | 34.60 | 12.50 | 28.35 | 18.75 |
| Family | 61.77 | 12.50 | 55.52 | 18.75 |

HOLIDAY BENEFITS

In a week in which a holiday occurs, the number of hours which an employee in a part-time position shall be compensated will be determined as follows:

- An employee who is scheduled to work less than twenty (20) hours shall receive payment equal to their regularly scheduled workday.
- An employee who is scheduled to work from twenty (20) to twenty-nine (29) hours shall receive four (4) hours of holiday pay.
- An employee who is scheduled to work from thirty (30) to thirty-nine (39) hours shall receive six (6) hours of holiday pay.

VACATION LEAVE

Part-time employees shall receive vacation credits pro-rated in accordance with the following schedule based on a work period of forty (40) hours.

- Under twenty (20) hours: 1/4 credits.
- Twenty (20) through twenty-nine (29) hours: 1/2 credits.
- Thirty (30) through thirty-nine (39) hours: 3/4 credits.

SICK LEAVE

Part-time employees shall receive sick leave credits pro-rated in accordance with the following schedule based on a work period of forty (40) hours.

- Under twenty (20) hours: 1/4 credits.

- Twenty (20) through twenty-nine (29) hours: 1/2 credits.
- Thirty (30) through thirty-nine (39) hours: 3/4 credits.

RETIREMENT

Part-time employees shall receive retirement benefits based on a calendar year (January through December) as follows.

- Less than 1,000 hours: **No credits.**
- 1,000 or more hours: 10% of annual salary.

Again, welcome to the Denver Municipal Federal Credit Union.
If you have any question about the contents of the employee handbook please contact:

Human Resources
Denver Municipal Federal Credit Union
1075 Acoma Street - Denver, Colorado 80204

(303) 626-0706
or FAX (303) 626-0750