

## EMPLOYEE BENEFITS

Employees (except temporary employees) working thirty (30) hours or more per week are entitled to the benefits listed in this section, unless otherwise noted. Employees working between twenty (20) and thirty (30) hours per week may receive a pro rata share of all applicable entitlements, wherever practicable, based upon the average weekly hours worked.

The following provides information concerning benefit eligibility and what happens in the event an employee terminates employment, retires, becomes disabled or takes a leave of absence. Please refer to the applicable Summary Plan Descriptions for specific plan details.

Throughout this section and the entire Handbook, each reference to spouse should be understood and is intended to include married spouses, civil union partners and domestic partners.

### Medical Insurance

Federation offers a comprehensive medical insurance package for employees working thirty (30) or more hours per week. An employee is eligible for coverage on the first day of the month following thirty (30) days of employment. Employees are eligible for health insurance for themselves and dependent children only, coverage for spouse/domestic partner is contingent on spouse's availability for health insurance coverage through his/her employer. If spouse's employer does not offer health insurance coverage or if spouse is unemployed or otherwise not eligible for other health insurance benefits, then employee may add spouse to his/her Federation provided health plan. An annual census shall be conducted by Federation to ascertain the availability of health insurance coverage within the household.

Employees are required to pay a portion of the monthly premium for their coverage through pre-tax payroll deductions.

The terms and conditions of the medical insurance plan and its coverage are governed by insurance contracts between Federation and the insurance carrier or carriers involved. These terms and conditions are contained in the Summary Plan Description.

Federation reserves the right to change, modify or terminate this benefit and its conditions in the future without advance notice, subject to any outstanding contracts or requirements of law.

### Dental and Vision Insurance

Federation offers dental and vision insurance for employees working thirty (30) or more hours per week. An employee is eligible for coverage on the first day of the month following thirty (30) days of employment. Employees are eligible for dental and vision insurance for themselves, spouses and dependents. Employees pay the full monthly premium for dental and/or vision coverage through pre-tax payroll deductions.

## Eyeglass Reimbursement

Federation provides the **employee only** with an eyeglass/contact lenses reimbursement of up to \$75 every two (2) years.

## Health Care Expense Account Plan (FSA)

Federation has made available to all employees a Health Care Expense Account Plan, also referred to as a Flexible Spending Account. Under this program, employees may contribute between two hundred sixty dollars (\$260) and the IRS allowed maximum (\$2700 in 2019) pre- tax per calendar year. Contributions will be deducted from the employee's gross salary to be used to reimburse the employee for allowable health care costs that have not been reimbursed by the health plan, as directed by the employee. These expenses include, but are not limited to:

- Deductibles, coinsurance amounts, and co-payments not paid under the employee's or the employee's spouse's medical plan;
- Medical expenses over and above reasonable and customary limits or in excess of plan year maximums; and
- Expenses not covered under medical plans, such as eyeglasses, contact lenses, non-covered procedures under a dental plan.

Expenses not eligible for reimbursement under the Health Care Expense Account Plan/Flexible Spending Account include:

- Expenses paid by any other plan;
- Expenses that are not allowed as tax deductions by the IRS for Federal Income Tax purposes;
- Premiums paid for other health insurance; or
- Expenses for cosmetic surgery except if necessary, to correct a condition relating to a disease, congenital abnormality or accident.

A complete listing of the expenses eligible for reimbursement can be found in IRS Publication 502.

Employees must elect to participate in this plan in writing, prior to the beginning of each calendar year. Elections remain in effect until the end of the following calendar year unless the employee has a change in family status. Changes in family status include marriage, birth or adoption of a child, loss of dependents through death or divorce, the commencement or termination of a spouse's employment, a change in employment status (i.e., part-time to full-time), the commencement or termination of an unpaid leave of absence by the employee or his/her spouse or a significant change in an employee's or an employee's spouse's health coverage attributable to the spouse's employment.

Employees may submit claims against their Account for up to the total election amount at any time after January 1 through March 31 of the following year. If, by March 31 of the following plan year, you have not requested reimbursement for health care expenses incurred during the prior calendar year, the amount in your account greater than \$500 will be forfeited according to IRS regulations. Complete details of the plan may be obtained by contacting Human Resources.

## Dependent Care Account Plan

Federation has made available to any qualifying employee a Dependent Care Account Plan. Under this plan, employees can elect to have up to five thousand dollars (\$5,000), or twenty-five hundred (\$2,500) for 2019, if the employee is married and filing separately, per calendar year deducted from the employee's gross salary pre-tax and used to pay the cost of dependent care such as daycare, pre-school or day camp. Eligible dependents must live with you, be claimed on your federal income tax return, and must be under age 13, or be a disabled older child or parent. Contributions are not subject to federal income and Social Security taxes. This election must be made in writing before January 1 of each year and submitted to the Human Resources department.

The Dependent Care Account Plan is governed by Internal Revenue Code Section 129. Under this section, specific rules, such as the following, exist:

- The annual amount designated for such care may not be increased above the limits stated above.
- To obtain reimbursement under the plan, the employee must submit the social security or tax identification number of the dependent care provider.
- Reimbursement under the plan will be made up to the amount in the employee's account at the time a claim is filed. Any excess claimed will be reimbursed in future months, as money becomes available.
- Any money withheld and not claimed to pay a dependent care provider will be forfeited according to IRS regulations.

Please refer to the Summary Plan Description of this program for additional guidelines. For information concerning this plan, contact Human Resources.

## Vacation

The following vacation practice applies to full time non-Contract employees:

After one full year of service	ten working days
After three full years of service	twelve working days
After five full years of service	fifteen working days
After eight full years of service	seventeen working days
After ten full years of service	nineteen working days
After thirteen full years of service	twenty-one working days
After fifteen full years of service	twenty-three working days

Part time employees who work 20 or more hours per week receive a prorated portion of the above listed working days.

Contract employees receive vacation as per the Collective Bargaining Agreement.

**NOTE: Employees who presently receive vacation benefits in excess of the foregoing schedule shall continue to receive their present vacation benefits.**

Vacation days earned in a given fiscal year (between July 1 and June 30) must be taken prior to June 30 of the next fiscal year or they will be forfeited. The vacation period is July 1<sup>st</sup> from one year until June 30<sup>th</sup> of the next year. As an example, vacation days earned between July 1, 2018 and June 30, 2019 may be used as they are accrued but will expire as of June 30, 2020. Therefore, vacation days may not be carried forward beyond the fiscal year following the year in which they were earned.

- All vacation requests must be submitted in advance and approved by your supervisor.
- Changes in vacation requests must be submitted in the payroll system and approved by your supervisor.

Vacation scheduling shall be arranged by mutual agreement between you and your supervisor. Supervisors must consider staffing requirements. Federation reserves the right to determine vacation scheduling.

Employees terminating voluntarily or involuntarily will be paid for all accrued unused vacation days available for use during the current fiscal year in their final paycheck. Employees leaving Federation after less than six (6) months of service shall not be entitled to any vacation pay.

Employees may request a half-a-day for vacation. When requesting vacation time when the building is scheduled to close a half day for holiday, employees will only be charged half-a-day vacation.

## Holidays

We observe nine (9) paid legal holidays each calendar year. They are:

- New Year's Day
- Martin Luther King Jr. Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday After Thanksgiving
- Christmas Day

A legal holiday occurring on a Sunday will generally be observed on the following Monday. Holidays falling on Saturday are observed on that Saturday only.

Part-time employees are not entitled to holiday pay unless the holiday falls on their regularly scheduled workday.

Federation also recognizes the following paid religious holidays for most employees, providing they occur on a workday:

- Passover (first two and last two days)
- Shavuot (two days)
- Rosh Hashanah (two days)
- Yom Kippur (one day)
- Succoth (first two and last two days)

## Absences

### Sick Days

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Full-time employees who have successfully completed their introductory employment period are entitled to accrue fifteen (15) paid sick days per year. Part-time employees, working twenty (20) or more hours per week are entitled to accrue a pro rata share of paid sick days based upon the average weekly hours worked. If these days are unused at year-end they may be carried over to a maximum of fifty (50) days from year to year. All days beyond fifty (50) are forfeited. No sick time will be paid during the employee's introductory employment period.

In compliance with the New Jersey Earned Sick Leave Law of 2018, employees who regularly work less than 20 hours per week are eligible to earn sick leave at the rate of 1 (one) hour of sick leave for every 30 (thirty) hours worked, to a maximum of 40 (forty) hours of sick leave per year.

If employment is terminated either voluntarily or involuntarily, or if the employee retires, the employee is **not** entitled to receive pay for unused sick days.

Employees may use accrued, paid sick leave if the employee needs to be absent for any of the following reasons:

- the employee is unable to work due to his/her mental or physical illness, injury or health condition or need for medical diagnosis, care or treatment of a physical or mental health illness, injury or condition or for preventive medical care; or
- the employee needs to care for a family member, who needs medical diagnosis, care or treatment of a physical or mental health illness, injury or condition or for preventive medical care; or
- the employee needs to care for a child whose school or childcare provider is closed by order of a public official due to a public health emergency, or the Company closes by order of a public official due to a public health emergency; or
- the employee needs to address circumstances arising from domestic or sexual violence against the employee or a family member; or
- the employee needs to attend his/her child's school related meeting, conference, or event requested or required by a school administrator, teacher, or other professional staff member

responsible for the child's education, or to attend a meeting, conference or event regarding care provided to the child related to his/her conditions or disability; or

- the employee needs to take care of his/her child(ren) when school/child care is closed due to a public health emergency.

For purposes of sick leave only, "family member" shall be defined as an employee's child (biological, adopted, step or foster child; legal ward; child of a domestic partner or civil union partner); grandchild; sibling; spouse; domestic partner or civil union partner; parent, grandparent; or spouse, domestic partner, or civil union partner of an employee's parent or grandparent; sibling of an employee's spouse, domestic partner, or civil union partner; any other individual related by blood to the employee; any individual whose close association with the employee is equivalent to family.

Abuse of this and all absence policies subjects the employee to discipline up to and including discharge.

Federation requires employees provide satisfactory medical evidence before returning to work from any illness extending beyond five (5) consecutive days. Federation reserves the right to require an employee to provide satisfactory medical evidence in the case of any absence, as well as, at its own expense, to have the employee examined by its own physician prior to allowing the employee to return to work.

### Sickness of Family Members

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Use of paid sick leave benefits to care for a family member shall be included as part of any leave you may be entitled to take under the "serious illness for the care of another" provision of the federal and state Family Leave laws.

### Bereavement

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All employees are eligible to take bereavement leave in the event of a death of an immediate family member (parent, spouse, sister, brother, child, mother-in-law, father-in-law, grandparent, grandchild). Employees needing bereavement leave will be excused with pay for up to five (5) consecutive working days. The employee's supervisor and Human Resources should be notified as soon as possible in the event of a death requiring bereavement leave.

### Jury Duty

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Employees required to serve on jury duty, or who are subpoenaed by federal, state or city governments as witnesses in court on days which fall on their regularly scheduled workdays, shall not suffer any loss of earnings. Employees must provide their supervisor or Human Resources with a copy of their notice or summons for jury duty as soon as possible following receipt, so arrangements can be made to accommodate the employee's absence. Paid vouchers for such duty or service must be presented to the payroll department immediately after returning to work. An employee excused from such duty or service shall immediately report to work.

### Leaves of Absence

Federation recognizes that there may be reasons that require an employee to be away from work for an extended period. In order to accommodate such situations, Federation allows employees to request an

unpaid leave of absence as set forth below. Such leave runs concurrently with any federal/state mandated leave, whenever applicable. Moreover, the employee is required to exhaust all accrued sick, vacation and other accrued paid time off **as part of** such leave to offset loss of income. Please note that sick leave may only be used for one of the reasons listed on the previous page in Section A, Sick Leave.

## Medical and Family Leaves of Absence

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Eligible employees may request medical and family leaves of absence leave in accordance with the terms of this Policy, without the risk of termination or retaliation for taking such leave. Eligibility criteria vary depending on whether the employee seeks a medical or a family leave. This policy is intended to comply, and shall be implemented in accordance, with the provisions of the Family Medical Leave Act (FMLA) and applicable state leave of absence statutes.

### Medical Leave

**Eligibility** - To be eligible for a medical leave of absence ("MLOA"), an employee must have completed at least twelve (12) months of employment with Federation, worked at least 1250 hours in the twelve (12) months immediately prior to the first day of leave, and be suffering from a Serious Health Condition, as defined below ("MLOA-eligible"). A MLOA-eligible employee may request up to twelve (12) weeks of unpaid medical leave in any rolling twelve (12) month period. Federation will determine eligibility for medical leave as of the date the leave starts or is requested to start and looks back at the prior twelve (12) month period.

**Procedures** - A MLOA-eligible employee seeking a medical leave is required to give notice thirty (30) days prior to the anticipated first day of medical leave, except in emergency situations, when notice must be given as soon as possible. Except in an emergency situation, if a MLOA-eligible employee fails to request medical leave at least thirty (30) days in advance, the starting date of the leave could be delayed. A MLOA-eligible employee seeking medical leave must submit a medical certification from a licensed physician or other qualified health care provider documenting the employee's Serious Health Condition. Request forms are available from the office. Any employee who fails to submit a signed and completed Medical Certification form may be delayed in starting or denied medical leave.

**Serious Health Condition** - A "Serious Health Condition" is an illness, injury, impairment or physical or mental condition (including those covered under workers' compensation), which leaves the individual unable to perform the essential functions of his/her job (or leaves a child unable to attend school) and involves at least one of the following:

- Hospital Care - inpatient care (e.g., overnight stay) in a hospital or other medical care facility including any period of incapacity or treatment in connection with the inpatient care;
- Absence Plus Treatment - a period of incapacity of more than three (3) consecutive calendar days that involves either treatment two (2) or more times by a health care provider or treatment by a health care provider on at least one (1) occasion which results in a regimen of continuing treatment, such as physical therapy or a medication regiment;
- Pregnancy - any period of incapacity due to pregnancy or for prenatal care;

- Chronic Conditions Requiring Treatment - a chronic condition which requires periodic visits for treatment by a health care provider that continues over an extended period and may cause episodic periods of incapacity, such as asthma, diabetes, epilepsy or clinical depression;
- Permanent Long-term Condition Requiring Supervision - a period of incapacity which is permanent or long-term for which treatment may not be effective, such as strokes or terminal cancer; or
- Multiple Treatments (Non-Chronic Conditions) - a period of absence to receive multiple treatments from a health care provider for restorative surgery after an accident or injury, or to receive treatments such as chemotherapy for cancer or dialysis for kidney disease.

A Serious Health Condition may include treatment for substance abuse but does not include absences due to an employee's use or abuse of alcohol or other controlled substances. A Serious Health Condition does not include routine physical, eye or dental examinations.

**Duration of Medical Leave** - Medical leave may be taken:

- Consecutively (multi-day or multi-week increments);
- Intermittently (separate blocks of time due to a single qualifying reason); or
- As reduced leave (leave schedule temporarily reduces an eligible employee's usual number of hours per workday or work week, generally from full-time to part-time).

The duration and form of medical leave will be subject to medical necessity as determined by a physician or other qualified health care provider. Leave can be taken in increments of as little as one hour.

A MLOA-eligible employee who requests intermittent or reduced medical leave shall make a reasonable effort to schedule such leave so as not to disrupt unduly Federation's business operations. The total (up to twelve (12) weeks) of any intermittent leave schedule related to any Serious Health Condition may not extend over more than twelve (12) months, and the employee must provide thirty (30) days' notice prior to starting intermittent leave, or as much notice as is reasonable and practical under the circumstances.

**Salary Continuation During Medical Leave** – Medical leaves of absence are unpaid; however, employees must exhaust all accrued, unused sick leave concurrently with a medical leave. All employees taking medical leave due to a serious health condition which is not work-related, may apply for Disability Insurance benefits through Federation's private plan. MLOA-eligible employees absent due to a work-related injury or illness may be placed on medical leave simultaneous with receiving workers' compensation benefits. Employees otherwise eligible for sick leave do not earn/accrue additional benefits while absent on an unpaid medical leave of absence.

**Return from Medical Leave** - Employees are expected to return to work on their scheduled return to work date. Employees are requested to give prior notice to the VP, Human Resources, via phone, of their intent to return from medical leave. If an employee needs to extend a medical leave, he/she must try to submit the request to Federation at least two (2) weeks prior to the scheduled return date, and no less than seven (7) calendar days before the scheduled return to work date, except where the need for an extension is not foreseeable. Requests to extend medical leave beyond twelve (12) weeks are granted only at Federation's discretion. If an employee is able to return early from a medical leave, he/she should submit



the request to return early to the VP, Human Resources within two (2) business days of learning of the ability to return to work early.

Before Federation can permit an employee to return to work following a medical leave of absence, Federation may require that the employee provide a fitness-for-duty report from the treating health care provider clearing him/her to return to work. The report must state whether the employee is able to resume working without restrictions or it must list any medical restrictions the health care provider finds relative to the employee's ability to perform the essential functions of his/her position. An employee may not return to work unless and until he/she submits a fitness-for-duty report to the VP, Human Resources.

If an employee fails to return to work upon the scheduled expiration of a medical leave of absence for reasons other than a documented continuing Serious Health Condition, Federation will treat the employee's failure to return as a voluntary resignation without notice. In such case and if applicable, Federation also may exercise its right to recover from the employee the amount of the premium costs which it paid for the employee's health insurance coverage during the medical leave. Any employee who fails to return to work at the scheduled expiration of a medical leave of absence may forego any right to reemployment with Federation.

An additional exception exists for certain "key" employees who may not be guaranteed reinstatement if their absence will cause grievous economic harm to Federation. Under the FMLA, a "key" employee is one who is among the highest-paid 10% of Federation employees. Federation will notify "key" employees of their status, and of the implications of their status, at the time they request medical leave.

**Rights Upon Returning to Work** - Employees taking an approved medical leave of absence will be entitled to reinstatement to their former position, if available, or to an equivalent position of substantially equivalent compensation, benefits, status, responsibility and authority, if they return from the leave on the agreed upon date (including any approved extension), and the entire leave lasts no more than twelve (12) weeks. If an approved medical leave lasts longer than twelve (12) weeks, then Federation may return the eligible employee to the former position **if available**, or to another position **if**, at the time the eligible employee is released to return from medical leave, a position is available for which the employee is qualified.

Upon return from an approved medical leave, an eligible employee will be subject to any benefit enhancements or modifications awarded or applied to other employees while the employee was on leave, **if** the benefit enhancement or modification otherwise would have applied to the employee if he/she was actively working rather than on medical leave. Likewise, in the event an employee's position is eliminated or modified while he/she is on an approved medical leave and/or he/she otherwise would be subject to layoff or other modification, he/she may be laid off at the conclusion of the leave or subject to the modification upon returning to work.

## Family Leave

**Note:** Eligibility and procedural requirements may be different for employees taking family leave to care for an immediate family member who is a member of the US Armed Forces (see Military Caregiver Leave below).

**Eligibility** - To be eligible for a family leave of absence (“FLOA”), an employee must have completed at least twelve (12) months of employment with Federation, worked at least 1000 hours in the twelve (12) months immediately prior to the first day of leave, and be suffering from a Serious Health Condition, as defined below (“FLOA-eligible”). A FLOA-eligible employee may request up to twelve (12) weeks of unpaid family leave in any rolling twelve (12) month period for one of the following reasons:

- To care for a newly born child or a child newly placed for adoption or foster care, or
- To care for an immediate family member (parent, parent in-law, child, spouse, civil union partner) suffering from a Serious Health Condition\* which renders the immediate family member unable to work, attend school, or to care for him/herself.

\*The definition for Serious Health Condition stated under Medical Leave above also applies to family leaves of absence.

Federation will determine eligibility for family leave as of the date the leave starts or is requested to start and looks back at the prior twelve (12) month period.

**Procedure** - A FLOA-eligible employee is required to give notice to Federation thirty (30) days prior to the anticipated first day of family leave, except in emergency situations, when notice must be given as soon as possible. Except in emergency circumstances, if a FLOA-eligible employee fails to request leave at least thirty (30) days in advance, the starting date of the family leave may be delayed.

A FLOA-eligible employee seeking family leave to care for an immediate family member will be required to submit a medical certification from a licensed physician or other qualified health care provider, documenting the immediate family member’s Serious Health Condition. Forms are available from Human Resources. Any employee who fails to submit a signed and completed Medical Certification form may be delayed in starting or denied family leave.

**Duration of Family Leave** - Family leave may be taken:

- Consecutively (multi-day or multi-week increments);
- Intermittently (separate blocks of time due to a single qualifying reason); or
- As reduced leave (leave schedule temporarily reduces an eligible employee's usual number of hours per workday or work week, generally from full-time to part-time).

The duration and form of family leave to care for an immediate family member with a Serious Health Condition will be subject to medical necessity as determined by a physician or other qualified health care provider. Leave can be taken in increments of as little as one hour.

A FLOA-eligible employee, who requests intermittent or reduced family leave to care for an immediate family member, shall make a reasonable effort to schedule such leave so as not to disrupt unduly Federation’s business operations. The total (up to twelve (12) weeks) of any intermittent leave schedule related to an immediate family member’s Serious Health Condition may not extend over more than twelve (12) months, and the employee must provide thirty (30) days prior notice, or as much notice as is reasonable and practical under the circumstances.

Leave to care for a new child may be consecutive, intermittent or reduced, but intermittent or reduced leave requires Federation's prior approval, and will not automatically be granted. Leave to care for a new child must commence within twelve (12) months following the child's birth or placement for adoption or foster care.

If a husband and wife both are Federation employees and FLOA-eligible, they may be limited to a combined total of twelve (12) weeks of family leave during any 12-month period if either spouse takes a leave: a) to care for the employee's parent with a Serious Health Condition, b) due to the birth of the employee's child, or to care for the child after the birth, or c) due to placement of a child with the employee for adoption or foster care or to care for the child after placement ("combined purposes"). The amount of leave available to each the husband and wife in a twelve (12) month period for leave to care for a spouse or child with a Serious Health Condition would be twelve (12) weeks minus the amount of time taken by that employee for one or more of the combined purposes during the same twelve (12) month period.

**Salary Continuation During Family Leave** – Family leaves of absence are unpaid; however, employees may apply for Family Leave Insurance benefits from the New Jersey Family Leave Insurance program (see section on Family Leave Insurance). If approved, an employee may collect family leave insurance benefits for up to six (6) weeks. Based on the procedure established under the Family Leave Insurance program, if an employee is both MLOA and FLOA-eligible and takes a medical leave and receives Temporary Disability Benefits (TDB), and then takes an approved family leave immediately after the employee's Temporary Disability Benefits/medical leave ends, as often happens with maternity leaves, the employee can transition from TDB to Family Leave Insurance. Employees will not accrue seniority during an unpaid family leave, but upon return from family leave, an employee will be credited with all seniority earned prior to the leave. Employees do not earn/accrue additional paid time off benefits during an unpaid family leave.

**Return from Family Leave** - Employees are expected to return to work on their scheduled return to work date. Employees are requested to give prior notice to Human Resources of their intent to return from family leave. If an employee needs to extend a family leave, he/she must try to submit the request to Human Resources at least two (2) weeks prior to the scheduled return date, and no less than seven (7) calendar days before the scheduled return to work date, except where the need for an extension is not foreseeable. Requests to extend family leave beyond twelve (12) weeks are granted only at Federation's discretion. If an employee is able to return early from a family leave, he/she should submit the request to return early to the VP, Human Resources within two (2) business days of learning of the need for an extension or of the ability to return to work early.

If an employee fails to return to work upon the scheduled expiration of a family leave of absence, Federation will treat the employee's failure to return as a voluntary resignation without notice. In such case, Federation also may exercise its right to recover from the employee the amount of the premium cost which it paid for the employee's health insurance coverage during the term of the family leave. Any employee who fails to return to work at the scheduled expiration of a family leave of absence may forego any right to reemployment with Federation.

An exception exists for certain “key” employees, who may not be guaranteed reinstatement if their absence will cause grievous economic harm to Federation. Under the FMLA, a “key” employee is a salaried employee who is among the highest-paid 10% of Federation’s employees (or among the top seven or 5% in base salary for NJFLA only). Federation will notify “key” employees of their status, and of the implications of their status, at the time they request family leave.

**Rights Upon Returning to Work** - Employees taking an approved family leave of absence will be entitled to reinstatement to their former position, if available, or to an equivalent position of substantially equivalent compensation, benefits, status, responsibility and authority, if they return from the leave on the agreed upon date (including any approved extension), and the entire leave lasts no more than twelve (12) weeks. If an approved family leave lasts longer than twelve (12) weeks, then Federation may return the eligible employee to the former position **if available** or to another position **if**, at the time the eligible employee is ready to return from family leave a position is available for which the employee is qualified.

Upon return from an approved family leave, an eligible employee will be subject to any benefit enhancements or modifications awarded or applied to other employees while the employee was on leave, **if** the benefit enhancement or modification otherwise would have applied to the employee if he/she was actively working rather than on family leave. Likewise, in the event an employee's position is eliminated or modified while he/she is on an approved family leave and he/she otherwise would be subject to layoff or other modification, he/she may be laid off at the conclusion of the leave or subject to the modification upon returning to work.

### **Military Caregiver Leave**

An employee who is the spouse, son, daughter, parent, or next of kin of a member of the U.S. Armed Forces, including a member of the National Guard or Reserves (“covered service member”), may request up to twenty-six (26) weeks of Family Leave to care for a covered service member, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, due to a serious injury or illness. In order to qualify for Military Caregiver Leave, the employee must have been employed by Federation for at least twelve (12) months and worked at least 1250 hours in the twelve (12) months immediately prior to the first day of leave. Employees must submit a written request that includes a certification to support his/her request for leave to care for a covered service member with a serious injury or illness.

Qualifying employees also may request up to twenty-six (26) weeks of Military Caregiver Leave for “any qualifying exigency arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the armed forces in support of a contingency operation.” Employees must submit a written request that includes a certification to support his/her request for leave because of a qualifying exigency.

Because military caregiver leave is a form of family leave, employees absent from work on an approved military caregiver leave, will have the same rights and restrictions regarding Continuation of Medical Benefits During Family Leave, Salary Continuation During Family Leave, Return From Family Leave, and Return to Work Rights, as stated in this Policy relative to employees taking other approved forms of family leave.

## Provisions Applicable to Both Family and Medical Leaves

**Outside Employment** - Employees are prohibited from accepting new full-time employment while absent on an approved medical or family leave of absence. This requirement does not preclude an employee, who had a job outside of Federation prior to starting his/her leave of absence, from continuing that employment.

**Confidentiality of Records** - Federation will maintain records and documents relating to Medical Certifications, medical histories or medical conditions of employees and/or their family members as confidential records and store them in Employee Health Files, separate from the general personnel files.

**Non-Retaliation** - No employee will be subject to retaliation or any negative employment action as a result of requesting or taking medical or family leave (including military caregiver leave) under this policy or as a result of testifying or reporting any actual violation of this policy or the law.

## Paid Family Leave Insurance

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Through a program administered by the State of New Jersey, all employees may be eligible to collect up to six (6) weeks (twelve (12) weeks as of July 1, 2020) of paid family leave insurance benefits in any rolling twelve (12) month period, if they need to be absent from work to care for an immediate family member with a serious health condition or who is the victim of domestic or sexual violence, or to bond with a child following birth or adoption. Paid family leave insurance is a wage loss protection program that provides partial wage replacement to all eligible employees.

For purposes of this New Jersey paid family leave insurance only, "immediate family member" means an employee's parent, child (under age 19), spouse, civil union partner, or domestic partner, or the child of an employee's civil union partner or domestic partner, an employee's siblings, grandparents, grandchildren, parents in-law, and other persons in a relationship with the employee which is the equivalent of a family member relationship. A serious health condition is defined as stated in the Medical and Family Leave of Absence Policy, but generally requires that the family member be receiving ongoing treatment by a doctor and be hospitalized or receiving similar treatment such that the individual is unable to work or attend school.

A "Serious Health Condition" is an illness, injury, impairment or physical or mental condition that leaves the individual unable to perform the essential functions of his/her job (or leaves a child unable to attend school) and involves at least one of the following: inpatient hospital care, medical incapacity of more than three (3) consecutive calendar days that involves either treatment by a health care provider, pregnancy and prenatal care; chronic conditions requiring periodic treatment or causing occasional periods of incapacity, permanent long-term conditions requiring supervision, and absences to receive multiple medical treatments for condition or illness. A Serious Health Condition may include treatment for substance abuse but does not include absences due to an employee's use or abuse of alcohol or other controlled substances, and does not include routine physical, eye or dental examinations.

An employee who intends to claim paid family leave insurance benefits to bond with a newly born or adopted child must give Federation thirty (30) days' notice prior to the start of the family leave, or the State may reduce the employee's paid family leave insurance benefits by two (2) weeks (as required by law), unless the time of the leave is unexpected or the time of the leave changes for unforeseeable

reasons. An employee, who intends to take a leave and claim paid family leave insurance benefits to participate in providing care for a family member with a serious health condition, must give Federation reasonable and practicable prior notice unless the time of the leave is unexpected or the time of the leave changes for unforeseeable reasons. An employee who intends to take the leave on an intermittent basis to care for a family member must give Federation a minimum of fifteen (15) days' notice. Employees should submit such notice to their immediate supervisor or to the VP, Human Resources.

Eligible employees may apply for paid family leave insurance benefits, which will be calculated at approximately 85% of weekly base pay, up to a maximum set by law. Funding for paid family leave insurance comes from employee contributions deducted from weekly pay, similar to unemployment and Temporary Disability Benefits.

Even if an employee qualifies for Family Leave Insurance benefits, the law does not guarantee employees any time off nor does it ensure that an employee's position will be protected while receiving paid family leave insurance benefits. Employees must request a family leave of absence, which will be granted or denied at the sole discretion of Federation.

Federation will not discriminate or retaliate in any way against employees based on past, present or future military service. Federation fully complies with all aspects of federal and state laws concerning military reservists and returning military service members.

## Disability Insurance

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### Short-Term Disability

Federation provides each employee with insurance coverage, under New Jersey's Temporary Disability Benefits law, for non-occupational illness or injury. Federation provides coverage for medical incapacity of less than seven (7) days duration for employee's who are eligible for paid sick leave. Coverage ends at the earlier of when the employee is no longer certified as disabled or twenty-six (26) weeks. The specifics of this program are available from Human Resources. Illnesses and injuries occurring during or arising from or related to work are covered under Worker's Compensation.

### Long-Term Disability

Federation provides long-term disability insurance to replace income lost due to an illness or injury that extends beyond the state required short-term disability insurance period. Employees must work at least thirty (30) hours per week to be eligible. This insurance pays an employee 50% of his/her income per month reduced by other income received during disability including Social Security and Workers' Compensation benefits and all governmental programs. Benefits are paid until the earlier of recovery, no longer meeting the definition of disability under the plan, or turning age 65. Employees earning less than \$60,000 per year will receive up to \$1,250 per month. Employees earning more than \$60,000 per year will receive up to \$8,000 per month. Employees disabled after age 60 receive benefits for a pro-rated period.

The premium for the long-term disability coverage is fully paid for by Federation. Any benefits payable under the plan are subject to income tax when received.

Employees become eligible for long-term disability coverage on the first of the month following completion of ninety (90) days of employment. Coverage ends on the last day an employee is at work

The plan documents governing this insurance are available for inspection through Human Resources. Employees may refer to the Summary Plan Description for additional plan details.

## Life Insurance

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### Basic Life Insurance

Employees working at least thirty (30) hours per week are eligible for life insurance coverage on the first day of the month following thirty (30) days of employment. For union employees, this policy provides basic coverage in the amount of ten thousand dollars (\$10,000) to an employee's designated beneficiary. Others receive coverage in the amount of one-half times their salary. The maximum benefit is fifty thousand dollars (\$50,000).

### Supplemental Life Insurance

Upon eligibility for basic benefits, an employee may also elect to purchase, via payroll deduction, *supplemental* life insurance in multiples of 1, 2 or 3 times the employee's annual salary up to a maximum benefit of \$300,000. No medical exam is necessary if the coverage is purchased within the first thirty (30) days of eligibility. To purchase supplemental coverage at a later date, proof of good health, that is acceptable to the insurance carrier, must be supplied.

### Benefit Reductions During Employment

Life insurance benefits will be reduced every five years, at the beginning of the plan year, beginning after the employee turns age 70. The reduction shall be 35% of the amount of insurance in effect at ages 70 and 75. At ages 80, 85, 90 and 95, the reduction will be 25% of the amount of insurance in effect. The employee must still be employed by Federation to be eligible for the reduced benefit.

### Waiver of Premium

If an employee becomes disabled (as defined in the policy and approved by the insurance company) prior to age 60, basic and supplemental life insurance premiums are waived to age 65. The employee must submit proof of satisfactory disability to the carrier. If the employee recovers, this waiver will end. Employees will be given the opportunity to convert to an individual policy at the end of the waiver of premium period, unless the employee returns to work with Federation.

The terms and conditions of Life Insurance coverage are determined by the applicable insurance contract, notwithstanding anything to the contrary in any other written or verbal statement.

## Tax Deferred Annuity

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Our employees are entitled to participate in a variety of tax-deferred annuity programs, designed to help build funds toward retirement. Under these programs, at the time this manual was published, an employee can tax defer up to \$19,000 of their annual gross pay. Certain restrictions may apply. This amount is based on the government's current regulations. It is recommended that you speak with your financial advisor concerning the calculation for your maximum allowable contribution. For more information, please contact Human Resources.

## Jewish Community Center (JCC) Membership

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As an added benefit, all Federation employees who work a minimum of thirty (30) hours a week are entitled to a 60% discount for membership dues to the JCC of MetroWest. Employees may join the JCC utilizing the customary membership procedures set forth by the JCC and are responsible for any initiation fees required by the JCC. To obtain more information about the services offered at the JCC, contact the JCC membership office.

## Effect of Termination of Employees on Benefits

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Employees who terminate employment with Federation are entitled to certain continuation of benefits provisions for the insurance programs as described below. Please see each Summary Plan Description.

### Medical Insurance

Employees who terminate employment may elect to continue the medical coverage for themselves and any dependents covered by the Federation plan prior to the date of their termination. There are continuation- of-benefit provisions under federal and state law as well as special provisions for employees who are disabled when their coverage ceases.

Coverage ceases the last day of the month following the date of termination. An employee may not work a few days into a month for the sole purpose of maintaining medical insurance coverage. Using accrued vacation time in lieu of working the last days/weeks does not qualify as regular workdays for coverage purposes.

### Extension of Benefits for Disabled

Employees who become disabled continue the same coverage as an active employee during the first three (3) months of disability. After three (3) months, disabled employees are required to pay 100% of the medical premium until the earlier of Long Term Disability approval or six (6) months. COBRA is available to all disabled employees after the first six (6) months of disability.

### Eyeglass Reimbursement

The Federation eyeglass reimbursement program terminates on the date active employment terminates.

### Health Care Expense Account Plan

Employees may continue their participation to the Health Care Expense Account Plan according to the provisions of COBRA. Employees who terminate employment and do not elect COBRA for this plan may continue to submit bills to the plan for expenses incurred prior to their date of termination up to the end of the calendar year of their termination.

### Life Insurance

The supplemental life insurance program is portable. This means that an employee who terminates employment with Federation may continue this coverage without converting it to an individual policy. The employee must contact the carrier to do this. The group life insurance policy is **not** convertible to a single plan policy.



Employees who terminate employment due to disability are eligible for a continuation of benefits under the Waiver of Premium provision. This provision continues benefits to age 65 without the payment of premiums. Employees must be disabled prior to age 60 and their disability must last for at least nine months. Employees must satisfy the appropriate definition of disability to qualify. Federation will provide the appropriate forms to apply for this benefit. The insurance carrier will make the appropriate benefit determination.

## Disability Benefits

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### Short-Term Disability

Short-term disability coverage terminates at the earlier of recovery, twenty-six (26) weeks or retires. Coverage is not continued during any approved leave of absence except as described in New Jersey state law.

### Long-Term Disability

Long-term disability coverage terminates when an employee terminates employment with Federation, retires or takes an unpaid leave of absence. Coverage will be reinstated for employees on leave once they complete thirty (30) hours of full-time work. Long-term disability benefits terminate at the earlier of recovery or age 65.

### Tax Deferred Annuity

Employees' contributions to the tax deferred annuity program will cease on the date employment terminates.

## Continuance of Insurance Under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA)

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Each Qualified Beneficiary who loses coverage under the Federation medical plan as a result of a Qualifying Event that occurs while the plan is subject to the Consolidated Omnibus Budget Reconciliation Act (COBRA) may elect to continue coverage under this health plan subject to the terms and conditions of the plan.

### Qualified Beneficiaries

Qualified Beneficiaries are the following persons, if covered under this plan on the day before the Qualifying Event:

- The covered employee, if the Qualifying Event is a termination of employment (other than by reason of gross misconduct) or a reduction in hours;
- The spouse of the employee; and
- The dependent child(ren) of the employee.

### Qualifying Events

Qualifying Events are the following events which, if this continuation benefit were not available, would result in the loss of coverage by a Qualified Beneficiary:

- The termination (other than by reason of gross misconduct) or reduction in hours of the covered employee's employment below the minimum hours required for coverage;
- The death of the covered employee;
- The divorce or legal separation of the covered employee from the employee's spouse;
- The covered employee becoming entitled to benefits under Medicare; or
- A dependent child ceasing to qualify as a dependent under the plan.

### Duration of Continuance

Unless otherwise stated, coverage for each Qualified Beneficiary electing continuance benefits shall be provided from the date of the Qualifying Event to the earliest of the following:

1. Eighteen (18) months after the Qualifying Event if coverage was lost due to the termination of employment or reduction in hours. However, if the employee or his/her covered dependent is disabled, as determined by the Social Security Administration, on the date of the Qualifying Event, or within sixty (60) days of when continuation coverage begins, continuation coverage may be extended an additional eleven (11) months as long as (s)he:
  - a. notifies Federation of the Social Security determination prior to the end of the original eighteen (18) month continuation period; and
  - b. provides Federation with a copy of the Social Security determination of disability within sixty (60) days of the decision.
2. Thirty-six (36) months after the date of the Qualifying Event if coverage terminated due to the employee's death, entitlement to Medicare, divorce or legal separation.
3. Thirty-six (36) months after the date of the Qualifying Event if coverage terminated due to a covered dependent ceasing to qualify as a dependent.
4. The date on which this plan is terminated for all employees in the same class as the covered employee.
5. The date any required contributions are not made by the employee or dependent using COBRA benefit continuation.
6. The date the person on continuance becomes entitled to benefits under Medicare; or
7. The date the person on continuance becomes covered under another group health plan.

### Level of Benefits

Each Qualified Beneficiary is entitled to continue the same benefits as were provided under the plan prior to the Qualifying Event under the same terms and conditions that apply to active participants. If an open enrollment period is provided, the benefit choices provided to active employees of the employer will also be provided to Qualified Beneficiaries.

If benefits under the plan are changed for active participants, the benefits of the Qualified Beneficiary will be changed accordingly. Unless otherwise agreed, no one may retain the benefits provided under the plan prior to the change.

## General Provisions Relating to COBRA Continuation Benefits

The following provisions apply to COBRA continuance benefits:

### 1. Election Period and Premium Payments

- a. Each Qualified Beneficiary who elects COBRA benefits must complete the appropriate election form and agree to pay the required contributions within sixty (60) days of receiving the Notice of Federal Continuation Rights from Federation's designated provider. Failure to make an election within this sixty (60) day period will result in the loss of the continuance option.
- b. The amount and the due dates of any premium for continuance coverage will be stated in the Notice. The required premiums are subject to change with the costs of the plan.

### 2. Notification Requirements

- a. Each Qualified Beneficiary must notify Federation no later than sixty (60) days after the following events occur.
  - i. There is a divorce or legal separation between the covered employee and his/her spouse.
  - ii. A child ceases to be a dependent child as defined in the policy.
- b. The failure of the employee or Qualified Beneficiary to provide this notice will result in the loss of the continuance option.

### 3. Multiple Continuation Periods

If, while on an eighteen (18) month continuance, a Qualified Beneficiary who is a spouse or dependent child has a second Qualifying Event, they will be entitled to continue coverage for up to 36 months from the beginning of the initial Qualifying Event. This continuance will be subject to all other terms of this plan.

### 4. Dependents Acquired During Continuation

A Qualified Beneficiary on continuation may add a spouse and/or dependent child acquired after the beginning of the COBRA period subject to the same terms and conditions as if they were an active employee of Federation. Such acquired dependent cannot have coverage extended due to multiple qualifying events unless they are a newborn child. Newborns are treated as Qualified Beneficiaries if there is a second Qualifying Event.

### 5. Dependent Restrictions

A child will be considered as a dependent of either you or your spouse, but not both, unless otherwise required by law.

## Sunshine Fund

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The purpose of the Sunshine Fund is to standardize the way we as a Federation recognize our fellow employees both in times of joy and in times of sorrow.

The success of this program depends on the willing participation of all employees.

To ensure timely and consistent notification to all staff about any employee happenings, **please notify Bonnie Sterling in Human Resources, immediately about any staff related event.** In addition, individual departments will notify the Sunshine Fund Committee Chair.

Listed below are guidelines for participation in the Sunshine Fund:

1. All Federation employees are eligible to participate in the Sunshine Fund.
2. An employee may enroll in the Sunshine Fund at any time.
3. To receive any disbursements from the Sunshine Fund, an employee must contribute to the Fund.

Eligible Events:

1. Marriage of an Employee
2. Birth of Child to an Employee
3. Serious Illness of Employee, Spouse/Domestic Partner or Child
4. Death in an Employee's Immediate Family\*  
\*Immediate Family defined as: Parents, Parents-In-Law, Step-Parents, Spouse, Domestic Partner, Children, Siblings, Siblings-In-Law, Grandparents or Grandchildren.
5. Enrollment in the Sunshine Fund will be renewed each July 1.
6. All disbursements are at the discretion of the Sunshine Fund Committee.
7. Circumstances not covered by the guidelines will be at the discretion of the Sunshine Fund Committee.