



PAINE COLLEGE

POLICY MANUAL

VOLUME III

Institution-Wide Employment Policies

JULY 2025

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Volume III
Institution-Wide Employment Policies

3.0 Introduction

Volume III of the Paine College Policy Manual contains employment policies that pertain to all faculty, administrators, staff, and student employees of the College. It supersedes all previous employment related policies and procedures published in prior personnel handbooks and publications. Additional policies that pertain only to members of the faculty (including but not limited to faculty policies addressing Rank, Appointment and Selection, Promotion, Evaluation, Tenure, Separation, Faculty Rights and Responsibilities, Leave, and Grievances) are provided in Volume IV, and policies that pertain only to administrators and staff are located in Volume V. General policies that affect all members of the campus community (including students) are set forth in Volume II.

The Paine College Policy Manual, including the policies, procedures, rules and benefits set forth in this Volume III, is not a contract of employment. No Policy Manual can anticipate every circumstance or question about policies. As Paine College continues to grow, the need may arise to improve, modify, revise, supplement, or rescind, suspend, terminate, or change policies or portions of this volume. Additionally, state and federal laws affecting Paine College operations may require changes to the volume. Paine College reserves the right to make any changes at its sole and absolute discretion as deemed necessary, but only in writing and signed by the President. All employees will be notified of changes in a timely manner and will be asked to certify that they have received the notice of change. Employment contracts that are not subject to “at will”, must be pre-approved by the Board of trustees prior to authorization by the College President.

Paine College has made this edition of Volume III of the Policy Manual as comprehensive as possible; however, it is not possible to foresee every situation that may occur. Circumstances not specifically addressed in the Policy Manual will be handled on a case-by-case basis, in accordance with established practice. Any questions regarding the information contained in this Volume III of the Policy Manual shall be referred to an appropriate senior administrative officer.

3.1 General Employment Policies

3.1.1 Background Checks

Paine College seeks to provide a safe and professional environment for students, faculty, staff, and visitors. To accomplish this, the College conducts criminal history background checks for all prospective new hires to identify individuals who may have committed serious crimes that would disqualify them from employment by law or because their presence in the workplace would create an unacceptable risk. Background information that is falsely reported by an applicant may be cause for termination of employment.

If a criminal history has been reported by the applicant and/or the criminal history background check uncovers potential problems, the Human Resources Office will consult with legal counsel to determine the next course of action. With regard to faculty appointments, the Provost and Vice President of Academic Affairs will consult with legal counsel. Each case will be reviewed and

factors will be considered such as, but not limited to, the nature and age of the crime reported, the position sought and duties, rehabilitation, the candidate's employment history, and references.

In addition to criminal history checks, the following background checks will also be conducted:

1. For faculty position candidates, an educational background check.
2. For administrative positions, both an educational and credit background check.
3. For staff positions that deal with financial-transactions, a credit background check.

Background reports will be maintained in the employee or applicant's secured file in the Human Resources Office. A candidate who is judged not to qualify for a position or is not hired because of the background check may request in writing a copy of the report(s) from the Human Resources Office.

3.1.2 Bills

All bills owed to the College by employees are due on the first day of each month, payable on or before the tenth (10th) of the month, unless otherwise stipulated. All bills not paid by the tenth (10th) of the month will be deducted from the employee's next salary check. There are no exceptions.

3.1.3 College Property

College property, equipment, and supplies are **not** to be removed from the premises without proper authorizations from the appropriate supervisor. This includes supplies such as pens, pencils, paper, staplers, tape dispensers, etc. College supplies are not for personal use or use by any other outside organization such as clubs, churches, etc. Individuals who violate this policy are subject to appropriate College discipline and, if applicable, will be reported to appropriate law enforcement agencies.

All College property must be returned by the employee on or before their last day of work to their supervisor. Paine College may also take action deemed appropriate to recover or protect its property.

3.1.3.1 Inventory Records

Supervisors responsible for the use and care of College equipment in their department or division are required to maintain an inventory of all property in excess of \$500. A signed list of this inventory will be filed with ITS and the Business Office at the close of each academic year.

During the year, records of additions or deletions will be maintained, and these, together with the previous years' filed inventory list will be used as the basis for the new list filed with ITS and the Business Office. An actual visual check will be made by IT of items listed and any deletions or losses reported.

Paine College inventory tags are available in the ITS Office. Inventory tags are required to be attached to all equipment purchased by the College that costs \$500 or more.

3.1.4 Conflict of Interest

Paine College employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which

Paine College wishes to operate. The purpose of these guidelines is to provide general direction so employees can seek further clarification on issues related to the subject of acceptable standards of operation. Employees should contact the Human Resources Department for more information or questions about conflicts of interest.

While no definition of conflict of interests can be sufficiently inclusive to address all possible examples of such activities, an actual conflict of interest is, most generally, a situation in which an employee has an interest or relationship, including a personal or business relationships, that might reasonably be construed to affect the employee's independent, unbiased judgment when making or participating in the making of decisions on behalf of the College, where such a decision will or could result either directly or indirectly in a personal gain for the employee or for a relative of the employee. A potential conflict of interest occurs when an employee's personal or private interests or business relationships might lead an independent observer to reasonably question whether the employee's professional actions or decisions are influenced by the considerations of a business relationship or significant personal or financial interest. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Specific circumstances, which may constitute an actual or potential conflict of interest, include, but are not limited to, the following:

1. Holding, either directly or indirectly, a position or financial interest¹ in an outside concern that provides services competitive with services rendered by the College, or an outside concern from which the College secures goods or services if the employee is involved in or may influence the ordering of such goods and services.
2. Using College resources to benefit an outside concern (this could include employee time, college space, equipment, supplies, etc.).
3. Disclosing confidential or proprietary information obtained through College employment for personal profit or gain, or for the profit or gain of a relative, business associate, or acquaintance.
4. Accepting gratuities or special favors such as meals, airline tickets, hotel accommodations, entertainment, sporting event tickets, etc., from any outside concern that does, or is seeking to do business with the College or extending gratuities or special favors to employees of the College under circumstances which might reasonably be interpreted as an attempt to influence employees in the performance of their duties. This does not include the acceptance of items of nominal or minor value (\$100.00 or less) which are clearly tokens of respect or friendship and are not related to any particular transaction of the College, nor does it include business-related social events where the employee is representing the College's interest which are part of their official responsibilities.
5. Engaging in outside activities from which employees, their relatives or their businesses will gain financially because of the employee's position at the College.

¹ "Financial interest" as used in this policy does not include ownership of interests in diversified investments (e.g., mutual funds, retirement plans) where the employee or consultant does not control investment decisions, nor does it include non-controlling ownership of securities in large, publicly-held corporations unless the activities of the employee or consultant could have an other than inconsequential effect on the value of such securities.

6. Engaging in consulting arrangements (with or without pay) or other outside business interest where there is a conflict of interest or a serious appearance of a conflict of interest.

Employees are expected to voluntarily notify their department head whenever a potential conflict of interest issue arises, including a financial or personal interest which may give rise to conflicts of interest. Notice shall be on a form prescribed by the Vice President of Administrative and Fiscal Affairs and approved by the President. The form will be filed with the Director of Human Resources. Participation in an actual conflict of interest or failing to voluntarily disclose a potential conflict of interest to the College by an employee will be grounds for disciplinary action up to and including termination in accordance with established disciplinary procedures (see Volume V, Section 5.8 for disciplinary action pertaining to staff and Volume IV, Section 4.8 for disciplinary actions pertaining to faculty).

3.1.5 Confidentiality of Information

It is the responsibility of all Paine College employees to safeguard confidential and sensitive institutional information. All confidential information shall be maintained in a manner that ensures its privacy and safety. Moreover, confidential information should not be discussed in open areas (elevators, cafeteria, hallways, etc.). [REDACTED]

For purposes of this policy, confidential information is defined as, but not limited to, employee medical records; employee financial records; human resources/payroll records; legal documents; confidential College documents and information such as operational, accounting, and College finance data and information; College business plans and strategies, negotiations, and contracts; and student records and information (see FERPA policy). The release of this information may have negative financial, competitive, productivity loss, legal, or other non-beneficial impacts on the College.

Authorized individuals (including, but not limited to, all employees and non-employees) have access to confidential information for the purposes of employee matters and/or specific job related duties. Authorized individuals who may have access to confidential information include, but are not limited to, new hires, current staff and principals, students, physicians, contractors, volunteers, vendors, faculty, and other College representatives. Individuals must obtain prior approval by the appropriate division or department directors (or designees) prior to the release of any information deemed confidential.

Confidential information shall not be accessed by, or discussed with, anyone except authorized individuals with a need to know. All requests for information about an employee should be forwarded to the authorized division or department.

Any breach of confidentiality may result in disciplinary action, up to and including termination. Moreover, under certain circumstances, violations may give rise to civil and/or criminal liability.

3.1.6 Dress and Personal Appearance

Presenting a professional image to the public while representing Paine College is of utmost importance. Since an employee's appearance is the primary basis for this image, appropriate clothing, good grooming, neatness, and cleanliness are essential. An employee's appearance on the job should be appropriate for the position and work area. For example, office based employees appearances should be business-like. Maintenance staff are permitted to wear attire that is consistent with requirements of their position.

If an employee's department, division, or office approves casual business attire, be aware that the following are not permitted:

1. Faded, torn, or dirty clothing;
2. Shorts;
3. Tee shirts with graphic/writing;
4. Tanks tops/Tube Tops;
5. Revealing/tight fitting clothing;
6. Spandex wear/exercise clothing;
7. Untucked shirts;
8. Leggings;
9. Flip-Flops;
10. Saggy Pants.

Employees who appear at work inappropriately dressed in violation of this policy will be required to leave the workplace and may only return when appropriately attired. The time away from work can be charged to vacation, or at the supervisor's discretion made up at the end of the same day. Employees who repeatedly report to work inappropriately dressed will be subject to disciplinary action.

Employees that work in areas where uniforms are required must wear full uniform at all times. Also, employees must be sure that accessories such as scarves, belts, and jewelry do not present a safety hazard around College equipment and office machinery.

3.1.7 Drugs and Alcohol in the Workplace

3.1.7.1 Drug Free Workplace Act

Paine College complies with the Drug Free Workplace Act. See Volume II, Subsection 2.2.1 for additional information.

3.1.7.2 Drug and Alcohol Screening

Paine College reserves the right to conduct pre-employment drug and alcohol screening tests for all candidates considered for employment. These practices are designed to avoid the hiring of individuals whose use of drugs and/or alcohol indicates a potential for impaired or unsafe job performance. Moreover, the College reserves the right to conduct drug and alcohol screens when a current employee is involved in a workplace accident and/or there is reasonable suspicion that the employee is under the influence of drugs or alcohol while on the job. Reasonable suspicion will be based upon objective facts such as causing or contributing to an accident at work, exhibiting abnormal conduct, erratic behavior, or establishing physical symptoms or manifestations of using drugs or alcohol or being under the influence of a drug or alcohol. An employee's consent to such a test may be required either as a condition of employment or continued employment, and the employee's refusal to consent may result in termination, even for a first refusal.

3.1.7.3 Knowledge of Use by Others

It is the responsibility of all employees to ensure that the work environment is free of alcohol and drugs. Any employee who has knowledge of the violation of the College's Drug Free Workplace Act Policy by another employee shall report the violation to an immediate supervisor. Employees who do not report violations may also be subject to disciplinary action (see Volume V, Section 5.8 for disciplinary action pertaining to administrators and staff and Volume IV, Section 4.8 for disciplinary actions pertaining to faculty).

3.1.7.4 Treatment

Employees who suspect they have a drug or alcohol problem or chemical dependency are encouraged to seek treatment before job performance is affected, which may result in disciplinary action. Successful treatment requires a high degree of motivation and dedication. If employees having difficulty dealing with a drug or alcohol problem may be eligible for an unpaid leave of absence while in treatment.

Again, it is an employee's responsibility to seek help before alcohol or drug problems lead to disciplinary actions. An employee's decision to seek prior assistance will not be used as a basis for discipline. However, seeking help will not be a defense against disciplinary action taken by Paine College, up to and including termination, for a violation of Paine College Policy.

3.1.8 Election Campaigns

Political activities of staff, administrative, and faculty personnel must be on the employee's time and not the College's. Any leave of absence to engage in political activities, including volunteering at polls, will be leave without pay (see paragraph 3.3.2.4 below). An employee who is seeking public office or wishes to engage in political campaign activities must submit a request for leave to the employee's supervisor prior to the date candidacy is filed or otherwise declared for public office. When engaging in these activities, the employee must make it clear that he or she is acting as a private citizen and is in no way representing the College. In order to preserve not for profit (IRS Section 501(c)(3)) status, Paine College may not participate in or intervene in any political campaign on behalf of any candidate for public office. See the College's Political Activities Policy in Volume II, Subsection 2.1.15 for additional information.

3.1.9 Employee Identification

All employees shall carry a Paine College photo identification (ID) card on their person while on campus. A photo ID may be obtained at the Campus Safety Office. Employees are responsible for replacement costs associated with lost or stolen ID cards.

3.1.10 Employees with Disabilities

Paine College is committed to complying with applicable laws ensuring equal opportunity for individuals with disabilities.

3.1.10.1 Disability Defined

An individual with a disability is defined as any person who (1) has a physical or mental impairment which substantially limits one or more major life activities; (2) has a record of such impairment; or (3) is regarded as having such an impairment. An individual satisfying parts (1) or

(2) of this definition and who can perform the essential functions of the position shall be referred to as a “qualified individual.”

3.1.10.2 Requesting a Reasonable Accommodations

Paine College will make a good faith effort to provide a reasonable accommodation to qualified applicants and employees with disabilities to ensure their equal access to employment with Paine College unless it would result in an undue hardship to Paine College.

For purposes of providing reasonable accommodation, applicants and employees are considered qualified if they possess the minimum qualifications of the position and can perform the essential functions of the position with or without reasonable accommodation.

Qualified individuals who wish to request a reasonable accommodation may contact the Director of Human Resources. The Director of Human Resources reserves the right to request additional documentation if the initial documentation the individual provides is incomplete or inadequate to determine the need for accommodations.

3.1.10.3 Provision of Accommodations

Upon receipt of a request for an accommodation by a qualified applicant or employee, the Director of Human Resources shall engage in the interactive process with the individual making the request. This shall be an informal process designed to determine the nature of the limitations resulting from the disability and the appropriate accommodation that will overcome this limitation. Prior to providing an accommodation, Paine College reserves the right to require documentation prepared by an appropriate professional, including, but not limited to: a statement regarding how the individual’s disability affects a major life activity, and a recommendation of a reasonable accommodation. If the accommodation as initially provided is insufficient, upon receipt of notice of the insufficiency, the Director of Human Resources shall make a good faith effort to implement any appropriate additional measures necessary to overcome the qualified individual’s limitations.

3.1.10.4 Confidentiality and Notification of Accommodation

Information and records about individual disabilities are treated as confidential information under applicable federal and state laws and are only provided to individuals on a need-to-know basis when authorized by the individual.

3.1.10.5 Grievance Procedure

Any employee or qualified applicant with a documented disability adversely affected by the discriminatory behavior of a College employee may file a complaint under the College’s Discrimination and Harassment Policy outlined in Volume II, Subsection 2.1.5 of the Policy Manual. Should an employee be denied a requested accommodation, the employee may appeal the decision by following the either the Staff or Faculty Grievance Procedures as outlined in Volumes V and IV of the Policy Manual as applicable.

3.1.11 Employment of Relatives

Employment, appointment, transfer, or promotion of all College faculty, staff, and student employees shall be based on appropriate qualifications and performance. Relationship to another

individual employed by the College shall not constitute an advantage for appointment, promotion, retention, salary, or leave of absence granted by the College. Accordingly,

1. No employee shall be assigned, promoted, or transferred to a division or department under the direct supervision or control of a relative.
2. Faculty and staff members will not be placed in a supervisory role over members of their family nor shall individuals be appointed, promoted, or transferred into positions that result in a supervisory relation with a relative herein defined.
3. Faculty and staff members shall neither initiate nor participate in institutional decisions involving a benefit to members of their families (i.e., initial employment or appointment, retention, promotion, salary, leave of absence, etc.).
4. Employment of relatives in the same department or division or under the same supervisor is presumed to be unacceptable and may be authorized only with the prior written approval of the President.

3.1.11.1 Definition

A relative is a spouse, child, step-child, parent or step-parent, parent or step-parent in-law, brother or sister, brother or sister-in-law, aunt, uncle, niece, nephew, grandchild, grandparent, first cousin, any other related person or non-related person who is part of the staff or faculty member's household, or someone whose relationship with the faculty or staff member is similar to that of a relationship described herein.

3.1.11.2 Exceptions

When the President determines that it would be in the best interest of the College, the President may approve individual exceptions to this policy for persons who are relatives, but only when:

1. The interests of other employees are not prejudiced by the exception; and
2. All recommendations or decisions made by one relative about the other relative are subject to review and approval either by an unrelated supervisor or by another College employee designated to perform this function.

3.1.12 Ethics and Conduct Policy

The reputation and successful operation of Paine College is built upon the principles of fairness and the ethical conduct of our employees. The College's reputation for integrity and excellence lies with its observance of the spirit and letter of all laws and regulations. Accordingly, Paine College expects its employees to conduct business in accordance with all relevant laws and to refrain from any illegal, dishonest, or unethical conduct. It is also expected that all employees will follow the instructions of their supervisors and other school officials and adhere to all applicable College policy and procedure.

Engaging in behavior and conduct that violates the College's Ethics and Conduct Policy could lead to corrective disciplinary action up to termination of employment without prior warning, at the sole discretion of the College pursuant to the applicable Corrective Discipline policy in either Volume IV, Section 4.8 (Faculty Corrective Discipline) or Volume V, Section 5.8 (Staff and

Administrative Employee Corrective Discipline). Listed below are examples of conduct that is prohibited by Paine College employees. The list is not all-inclusive.

1. Sexual harassment or other discriminatory or harassing behavior.
2. Falsification of employment application, credentials, or other Paine College records.
3. Signing in or reporting time of arrival or time of departure for another employee.
4. Frequent tardiness or absenteeism; unauthorized absence from workstation during work hours.
5. Sleeping on the job during work hours.
6. Professional incompetence, inefficiency, inexcusable neglect of duties, insubordination, or refusal to follow the instructions of supervisors including refusal to accept job assignments.
7. Continued neglect of job duties in spite of oral and written warnings.
8. Deliberate and serious violation of the rights and freedom of faculty members, fellow staff, or students.
9. Failure to report a conviction (within five days) under the criminal drug statute for violations on or off campus while conducting Paine College business.
10. Engaging in activities that undermine the mission of the Paine College.
11. Attendance at work under the influence of controlled substances or job impaired due to the influence of alcohol; consumption of alcohol or use of controlled substances during work time;
12. Using vile or abusive language.
13. Gambling on Paine College's premises.
14. Unlawful manufacture, distribution, dispensation, possession, sale, processing, or use of a controlled substance or intoxicating beverage in the workplace or while engaged in College business on or off the premises.
15. Threatening, intimidating, coercing or fighting with another employee by word or deed.
16. Unauthorized possession or use of firearms or other types of weapons while on Paine College property.
17. Immoral, indecent, or disorderly conduct of any nature while in the workplace, or while representing the College on or off the premises.
18. Conviction of a criminal offense, including murder, armed robbery, arson, or assault, whether or not on Paine College owned or operated property.
19. Creating or contributing to unsafe or unsanitary conditions by act or omission.
20. Theft, fraud or misrepresentation of information or other property belonging to Paine College, to another Paine College employee, or to a visitor at any Paine College facility.
21. Soliciting tips or gratuities from visitors while in the workplace.
22. Unauthorized possession, use, copying, or reading of Paine College records or disclosure of information contained in such records to the unauthorized.
23. Unauthorized overtime.

24. Conducting personal business during working hours that inappropriately interferes with College business.
25. Violation of any published rules, policy, regulation or practice of Paine College or of any division or department of Paine College.

3.1.13 Guaranteeing of Student Accounts

Members of the faculty, administration, and staff who wish to guarantee the payment of a student's account in the Business Office may do so by sending such a guarantee in writing. In the event the account is not paid by the end of the semester, the unpaid balance will be deducted from the faculty or staff member's last salary check for the semester concerned.

3.1.14 Inclement Weather Related Shutdown

In view of the fact that many services provided by the College are required seven days a week on a twenty-four hour basis, the College will make every effort to remain open at all times. In order to remain open at all times, the College has designated certain employees as "emergency employees." Regardless of weather conditions, these employees must report to work as scheduled. When conditions dictate, the College may modify the normal work schedule of employees not designated as emergency employees by permitting early departures from work, by excusing late arrivals to work, by permitting the discretionary use of paid leave, or by closing a part of the College.

The College recognizes that transportation problems can result from severe weather conditions and will modify normal work schedules of employees' not designated "emergency employees" as appropriate. A decision depends on the College's ability to provide for the on-campus safety of students, faculty, and staff and on the ability to maintain adequate utilities in College buildings. In addition, there can be specific instances when local facilities or military installations request that local businesses delay opening or close early to conserve power or to respond to another community emergency.

When an employee is hired, transferred, promoted, or changes status, it is important that the employee be advised of the employee's status as it relates to this policy.

3.1.14.1 Notification of Change in Schedule

When parts of the College are to be closed or the work schedule modified with respect to employees not designated as emergency employees, Public Relations will contact television and radio stations and post information on the website.

3.1.14.2 Plan

The College's Plan related to the inclement weather or shutdown situations will include one of the following options:

1. Remain Open: The media announcement will state: "Paine College is open."
2. Liberal Leave: The media announcement will state: "Liberal leave is in effect. Day classes will begin at their normal time." Designated emergency employees must report to work on time. All other employees may report up to two hours after their normal scheduled start time or may choose not to report to work. Employees who do not report to work may use their

accrued paid leave for the time. Employees who report within two hours of their normal start time will be paid for those hours.

3. Delayed Arrival: Should it be necessary to delay the start of classes or work due to weather conditions or other situations beyond our control, the media announcement will state: “Paine College is open. Classes will begin at [time designated]. Non-emergency employees should report to work at [time designated], but they are expected to report to work. All designated emergency employees must report to work on time.” If needed, the weather line will contain more detailed information about scheduling of classes on individual campuses.
4. Closure: The media announcement will state, “Paine College is closed and classes are canceled. Designated emergency employees must report to work.” Employees who are excused from work due to the closing will receive their regular compensation for the time lost due to the closing.

3.1.14.3 Early Departure

When a decision is made to permit early departures, employees will be paid for the authorized excused hours.

3.1.14.4 Employees on Scheduled/Unscheduled Leave

Employees who are off work due to scheduled/unscheduled sick leave or vacation will not be compensated or have their leave adjusted due to early departure or closure of the College.

3.1.14.5 Responsibility

Each department must identify and notify its designated emergency employees. Announcement of the decision to modify the work schedule or to close all or a part of the College with respect to employees not designated as emergency will be made by the President, and/or a designated representative(s).

It will be the responsibility of each employee to secure information regarding the College’s posture during an individual inclement weather or shutdown situation.

3.1.15 Keys

College keys are the responsibility of faculty and staff members to whom they are issued. Keys shall not be duplicated without the approval of the department chair or supervisor. Loss of any key shall be reported to the department chair or supervisor immediately. Employees will be required to pay the costs associated for replacing lost keys. All keys must be returned when a faculty or staff member leaves the employ of the College or upon request from a chair or supervisor.

3.1.16 New Hires Reporting

All new hires must be reported to the State of Georgia within 10 days of hire. New Hire reporting is a process by which the College reports information on newly hired, re-hired, recalled and temporary employees to the State of Georgia’s New Hire Reporting Program shortly after the date of hire.

The State of Georgia receives information about newly hired employees from employers, compiles it on a computer file, and regularly compares this file to its database of individuals who are required to pay child support.

It also compares the New Hire information to databases of applicants for, and recipients of, various public benefits to assist in determining eligibility for these programs. This screening process saves taxpayers millions of dollars each year by preventing fraud.

Once these matches are done, the State will submit the New Hire reports to a National Directory of New Hires. (Federal agencies will report directly to the National Directory of New Hires.)

3.1.17 Personal Possessions

Employees are asked to avoid bringing into the workplace expensive items or other personal possessions that have sentimental value and to take all precautions to safeguard such items if brought to work, including wallets and purses. Employees bringing personal possessions to the workplace do so at their own risk. The College cannot accept responsibility for any personal items and possessions that are stolen, lost, or damaged in any way.

3.1.18 Physical Examinations

At the discretion of Paine College, a health professional, chosen by the College, may conduct medical interviews, physical examinations, or require a statement from the employee's personal physician to determine a post-offer, pre-employment applicant's ability to fulfill job-related requirements. This policy applies to all employment categories and potential employees. Physicals may be authorized for post-offer, pre-employment applicants or employees, if a job has special physical demands, or when a post-offer, pre-employment applicant or employee's ability to meet the physical demands is in question. Incumbent employees selected for new positions with significantly different demands may also be required to have a physical examination based on the new position's requirements.

In addition, Paine College reserves the right to require a physical examination and/or statement from a current employee's personal physician upon an employee's return from a sick leave of three days or more.

Arrangements may be made by the Human Resources Office for a physical examination to be conducted at a medical facility designated by the College. The medical examination will be provided at no cost to the candidate and/or employee, and may include examination, testing and/or immunizations deemed by the College to be appropriate for the particular employment position or situation. At the discretion of the College, additional periodic exams or testing may be requested, especially on the occasion of an employee injury in the workplace. The employee or prospective employee must sign a written release of this information to Paine College.

3.1.19 Properties and Space Renovation

No employee has the authority to alter physical properties at Paine College at will. This includes alteration and/or renovation of existing buildings or redecorating and moving of furnishings and equipment from one room to another. Written approval of the Vice President of Administrative and Fiscal Affairs is required for all alterations and/or renovations of existing buildings or redecorating and moving of furnishings and equipment from one room to another.

3.1.20 Use of Paine College Systems and Equipment

Paine College's systems, services, and equipment, including the telephone, voice mail, e-mail, photocopiers, and the regular mail system, are made available to employees to enhance the institution's operations and productivity and ensure better delivery of services to our students. These capabilities are intended to be used strictly for Paine College business purposes by its employees; they are not for personal use by employees or their relatives. An employee who misuses or abuses Paine College's systems, services, and equipment may be subject to disciplinary action, up to and including termination.

It is important to remember that the use of or information on these systems, which are the property of the College, may be monitored, entered, or searched at any time without prior notice. Accordingly, no employee should expect voice mail, e-mail or computer system communications or usage to be confidential or private.

3.1.20.1 Bulletin Boards

As outlined in the College's Public Posting Policy (See Volume II, Subsection 2.1.16), employees may not post any information on College bulletin boards without the express permission of the Office of the Vice President and Dean of Student Affairs and the Public Relations Office.

3.1.20.2 Computer and E-Mail Data

Employees using Paine College computers and network facilities must strictly comply with the College's Information Technology policies as outlined in Volume II, Section 25.

Paine College reserves the right to monitor and log onto any and all aspects of its computer and network facilities including, but not limited to, monitoring Internet sites visited by users, monitoring chat and newsgroups, monitoring file downloads, and all communications sent and received by users.

For employees who have terminated employment relationship with Paine College, all computer access will cease immediately.

3.1.20.3 Photocopiers, Faxes, and Regular Mail

College photocopiers and fax machines should only be used for Paine College business. If an employee uses a photocopier or fax machine for personal use, the employee must notify the Business Office and pay the associated charges.

Employees may not use the College's internal mail service for sending or receiving personal mail. Employees are not permitted to use the College's address for receiving personal bills or other personal correspondence. Violation of this policy may result in disciplinary action up to and including termination.

3.1.20.4 Telephone

Prompt, courteous answers to telephone calls are expected from all employees. You are a representative of the College whenever you talk on the telephone. Voicemail is not to be used as the primary source for answering phones.

The College's telephone lines are for business use. Employees are expected to limit their personal calls to emergencies and necessary brief messages. Local, personal telephone calls must be kept to a minimum. Unauthorized toll calls are prohibited.

3.1.21 Verification of Employee Identity

It is the policy of Paine College to comply with state and federal legislation that require employers to verify employee identity and to assure employees meet minimal state and federal eligibility requirements for employment. These laws require that all individuals pass an employment verification procedure prior to or within 3 days from the first day of employment. All offers of employment are conditional upon receipt of satisfactory evidence of an employee's identity and legal authority to work in the United States.

In accordance with the Georgia Security and Immigration Compliance Act as well as with federal immigration laws, the College must verify that anyone hired, recruited, or referred for employment is not an "unauthorized alien." In order to check an applicant's status, Paine College requires sufficient documentation to establish the individual's identity and authorization to work in this country. The documents reviewed by the College must "reasonably appear" to be genuine, and may include a U.S. passport, certificate of citizenship and naturalization, resident alien card, certificate of birth (upon employment), a valid labor certificate issued by the Secretary of Labor, Social Security card, and driver's license. Any employee who is returning to the College after a break in service of one year or more must also renew their paperwork in Human Resources before they begin work. Employees without the necessary paperwork will not be allowed to continue work.

It is essential that all international students, scholars, and staff ensure that current INS paperwork is on file in the Human Resources Office. If an employee renews a Visa, I-20, I-90, or any other such paperwork, the employee must also renew their records of that paperwork in Human Resources.

Employees with questions or seeking more information on verification and immigration law issues are encouraged to contact the Human Resources Office. Employees may raise questions or complaints about verification and immigration law compliance without fear of reprisal.

3.1.22 Violence in the Workplace

Paine College recognizes that workplace violence is a growing concern among employers and employees across the nation. Paine College is committed to providing a safe and violence free workplace and strictly prohibits employees, visitors, students, or any other persons on Paine College property from behaving in a violent or threatening manner. As part of this policy, Paine College seeks to prevent workplace violence before it begins and reserves the right to address with behavior that suggests a propensity toward violence even prior to a threat of violent behavior and an act of violent behavior.

Although some violence results from societal pressures beyond the control of Paine College, we believe measures can be adopted to increase the security of the workplace. This policy applies to all employees, visitors, business associates, and students of Paine College and requires the cooperation and commitment of everyone. Preventing violence in the workplace is everyone's responsibility.

Every threat of violence is serious and must be treated as such. Examples of threats and actual acts of violence include:

1. Throwing, breaking, or damaging objects;
2. Screaming or yelling at others;
3. Actual physical or verbal attacks;
4. Making a verbal threat to harm another individual or destroy property;
5. Making menacing and threatening gestures;
6. Harassing others as defined in Paine College Discrimination and Harassment Policy;
7. Stalking others;
8. Defacing property or causing physical damage to the facilities.

Employees are required to report any incident involving a threat of violence or act of violence immediately to their supervisor, another member of management, or the Human Resources Office. Any person who engages in a threat or violent action on Paine College property may be removed from the premises as quickly as safety permits and may be required, at the discretion of Paine College, to remain off of Paine College property pending the outcome of an investigation of the incident (see the College's *Persona Non Grata* Policy in Volume II, paragraph 2.3.3.7).

If faced with a potentially violent situation, the best approach is to remain calm and not respond in kind. Try to contact a supervisor or another member of management to assist in diffusing the situation. In the case of imminent danger to oneself or another employee, an employee must use individual judgment to determine if a call to Campus Safety and Security and/or law enforcement authorities is necessary. Employees may report any kind of violence or threats of violence without fear of reprisal.

3.1.23 *Visitors in the Workplace*

Personal visitors in the workplace should be limited. Visitors should always be accompanied by a member of the College staff or faculty, who are responsible for the conduct and safety of their visitors. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

If an unauthorized individual is observed on the College's premises, faculty or staff members shall immediately notify their supervisor. Any suspicious behavior shall also be reported immediately to the Campus Safety Office.

3.1.24 *Workplace Privacy*

It is important to recognize that an employee's work space (including but not limited to desks, lockers, bookshelves, file cabinets, and other storage devices), computer, and paper and electronic files are the property of Paine College, and employees should not expect them to be private or confidential. While Paine College trusts employees to use Paine College property responsibly and appropriately, Paine College reserves the right to search such items, with or without prior notice to the employee to protect the interests of the institution. Additionally, during an employee's absence from an assigned workspace, there may be a need to locate certain information or

documentation requiring a member of management to look in an employee's electronic or paper files.

Employees are also asked not to have personal packages and mail delivered to Paine College. Mail addressed to Paine College is considered addressed to the institution and not to individuals. To protect the interests of the institution, Paine College reserves the right to check and inspect any packages being delivered to or leaving the workplace.

3.1.25 *Work-Related Incidents*

It is essential that all work related incidents as soon as possible, but not more than 30 days after the accident. This will enable eligible employees to qualify for coverage under the workers' compensation plan as quickly as possible. Failure to report a work-related incident may result in a delay or rejection of benefits. A worker injured on the job must select a doctor from the posted list in the Human Resources Office.

3.2 Personnel Records Policies

3.2.1 *Personnel Records*

The College complies with all laws that govern personnel records, their review, and their dissemination. Official personnel records of College employees are maintained in a secured, fireproof file cabinet in Human Resources. In addition, certain employment documents pertaining to faculty members are maintained in the Office of the Provost and Vice President of Academic Affairs (see Volume IV, Section 4.4 for additional information). Only information relevant to College personnel decisions or necessary to meet legal requirements is kept. Only authorized personnel may handle confidential personal data.

3.2.1.1 *Access and Review of Personnel Files*

Employees may review their personnel file at reasonable intervals by making an appointment with Human Resources. In the event that there is a disagreement regarding the accuracy of original data in a file, the employee is to identify the inaccuracy in writing stipulating whether a correction or removal of alleged inaccurate data is being sought.

Paine College will determine whether or not to correct or to remove the alleged inaccurate data from a file and subsequently inform the employee of the determination in writing. If a request to correct or remove allegedly inaccurate data is accepted as submitted by the employee, no record of the original data or the request for correction or removal will be maintained in the employee's file. However, a copy of a written denial to change or remove data will become part of the employee's file.

Employees must provide their written permission before there will be a disclosure of personal information to an external source, with the exception of the following information:

1. Employment verification requests, either verbal or written. All responses to such requests will be made by the Human Resources Director (or a designee) and will be restricted to dates of employment and the last or current position held (see Subsection 3.2.3 below).
2. Personal information that Paine College is legally required to reveal by court order or subpoena.

3. Access to an employee's personnel file to law enforcement officials or local, state, or federal agencies in accordance with applicable laws.

The foregoing shall not be construed as prohibiting Paine College from publishing an employee directory, which lists the employee's name, Paine College email address, and work telephone number extension.

3.2.2 *Change in Personal Data*

It is very important that an employee's personnel file is up-to-date. Accurate information prevents errors and ensures that the employee's benefit coverage is current.

Accordingly, employees shall notify their supervisor and the Human Resources Office via written notification of any of the following changes:

Legal name
Marital status
Address
Telephone number
Educational Achievements
Emergency contact information

The Human Resources Office must also be notified of any changes in family status, which might affect benefit coverage, beneficiary designation, or tax status. These changes include:

Birth or adoption of a child
Death of a spouse or child
Marriage/Divorce
Address change
Marriage of a dependent or dependent reaching majority age
Employment status

Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

3.2.3 Employment Verification Requests

All employment verification requests, either verbal or written, from financial or like institutions, or prospective employers, must be forwarded to the Human Resources Office. Such requests will be limited to the following information: verification of dates of employment and the last or current position held at the College. If an employee would like additional information released, written authorization must be provided to the Human Resources Office.

3.3 Employee Holiday, Leave, and Benefit Policies

3.3.1 Holidays

Paine College observes 15 official paid holidays each year. A schedule of the approved holidays for the academic year is published annually by the President's Office.

All regular employees² are eligible for compensatory time off on holidays officially observed by the College. If an employee is required to work a holiday, compensatory time off will be given. Such time off must be scheduled at the convenience of the office or department. Schedules for maintenance personnel, food services, and security personnel will be issued by the Vice President of Administrative and Fiscal Affairs, in collaboration with department supervisors.

If a holiday is observed when an employee is on vacation, the day will be counted as a holiday and will not be charged against vacation leave. The employee's vacation may be extended only with prior approval by the supervisor. If a holiday falls within an approved paid leave, the day will be

² All regular employees in authorized paid status on the scheduled workday immediately before and after the holiday are eligible to receive pay for the holiday. Student employees are not eligible for paid holidays.

counted as a holiday, and will not be charged against sick leave or emergency leave. If the holiday occurs during a period of leave without pay, there will be no compensation.

3.3.1.1 Religious Holidays

Paine College provides reasonable accommodations for the religious practices of its employees. Time off for religious holidays will be charged to a vacation day, if available, or may be unpaid. Employees seeking time off for a religious holiday shall file a written request with the employee's supervisor at least 10 working days prior to the day of religious observance.

A request by an employee for time away from work to observe a religious holiday shall not be denied unless the employee has inadequate accrued vacation to cover such period of absence or the duties performed by the employee are urgently required and the employee is the only person available who can perform the duties as determined by the employee's supervisor.

3.3.2 Leave Policies

3.3.2.1 Bereavement Leave

Employees may request time off to attend funerals for immediate family. Immediate family is defined as spouse, children, parents, sisters, brothers, grandparents, mother-in-law, father-in-law, aunts, and uncles. A maximum of three days is granted for out-of-town funerals, and one day is granted for a funeral held in the Central Savannah River Area. Employees, who need additional time off to attend funerals for immediate family, may use vacation leave with pay or be granted leave without pay with the approval of the Department Head.

3.3.2.2 Family and Medical Leave

Paine College provides family and medical leave to eligible employees according to the Family and Medical Leave Act of 1993.

3.3.2.2.1 Definitions

For purposes of this policy, the following definitions apply:

1. Spouse: A husband or wife as defined according to applicable state or local law.
2. Parent: Includes biological parents and individuals that act as parents, but does not include parents-in-law.
3. Son or daughter: Includes biological, legally adopted, foster children, stepchildren, legal wards, and other persons for whom the employee acts as parent.
 - a. The son or daughter must be under 18 years old; or
 - b. Age 18 or older and incapable of self-caring.
4. **“Serious health condition”** is defined as an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice or residential care facility **or** continuing treatment³ by a health care provider for a condition that either prevents the

³ Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one

employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

3.3.2.2.2 Eligibility

An employee is eligible for family and medical leave after completing one year of employment without a break in service except for holidays or other paid leave. The employee must have worked at least 1,250 hours during the 12 months preceding the request for family or medical leave. The twelve-month eligibility period is a "rolling period" measured from the date the employee last used any family or medical leave.

3.3.2.2.3 Federal Family and Medical Leave Law

The federal Family and Medical Leave Act provides eligible employees entitlement to a total of 12 work weeks of family and medical leave combined during any 12-month period when leave is taken for one or more of the following reasons:

1. The birth of a son or daughter of an employee and to care for the child. (Entitlement expires 12 months after birth.)
2. The placement of a son or daughter with an employee for adoption or foster care. (Entitlement expires 12 months after placement.)
3. To care for the spouse, son, daughter, or parent of an employee, if the family member has a serious health condition.
4. An employee is unable to perform the functions of the employee's position because of the employee's own serious health condition.
5. Employees may use federal family and medical leave to care for a seriously ill family member or because of the employee's own serious health condition whenever medically necessary.
6. Leave may be used on an intermittent or a reduced leave schedule if certified as medically necessary by the attending health care provider.
7. In addition, eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.
 - a. FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his

visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

3.3224 *Substitution of Paid Leave*

All family and medical leave is unpaid, although an employee may substitute College paid leave, may apply for short- and/or long-term disability benefits or may be eligible for workers' compensation benefits. Employee use of such paid leave or disability benefits is counted against an entitlement for the applicable 12-month period.

3.3225 *Calculation of the Leave Period*

The leave period begins on the first workday of the employee's first qualifying leave within the past 12-month period, as applicable.

3.3226 *Continuation of Benefits*

During an approved family/medical leave, the College will maintain the employee's health and other insurance benefits as if the employee continued to be actively employed. Employees on paid leave will continue to have the contributory portion of the premium deducted from the paycheck. If the employee is on unpaid leave, the employee is responsible for paying the employee contribution directly to Human Resources for the remainder of the leave period.

If the employee elects not to return to work at the end of a leave that is covered under the Federal Family and Medical Leave Act only, the employee will be required to reimburse the College for the cost of the premiums paid by the College for maintaining coverage during the leave; however, this payment will be waived if the employee cannot return to work because of a serious health condition or other circumstances beyond the individual's control.

An employee on family/medical leave is not eligible for COBRA coverage during the leave. If the employee does not return from the leave and terminates employment, the employee is eligible for COBRA coverage on the last day of FMLA leave or when the employee fails to return to work.

3.3227 *Notice of Leave*

If the need for family/medical leave is foreseeable, the employee must give the College 30 day's prior written notice. Where the need for leave is not foreseeable, the employee must notify the supervisor within 72 hours.

3.3228 *Medical Certification*

When an employee requests family/medical leave because of the employee's own serious health condition, or the serious health condition of a covered relative, the employee must provide appropriate medical certification (as requested by the College) in a timely manner. Failure to provide satisfactory medical certification will result in denial of leave until appropriate medical certification is provided.

3.3229 *Additional Documentation*

The College may request second or third medical opinions and periodic recertification at the College's expense.

3.3.2.2.10 *Returning from Leave*

An employee returning from a medical leave due to the employee's own serious health condition must supply satisfactory medical certification from the health care provider clearing the employee to return to 100% of their work responsibilities.

An employee returning from an approved family/medical leave will be restored to the same position that the employee held when the leave started, or to an equivalent position, with equivalent benefits, pay and other terms and conditions of employment.

An employee who exceeds the 12-week FMLA entitlement may be subject to termination of employment.

The duration of leave, availability of benefits, opportunity for job restoration, and other rights and privileges associated with FMLA leave are limited by the requirements of applicable state and federal law. No express or implied contractual rights should be inferred from this policy. The College reserves the right to modify this or any other policy as necessary, in its sole discretion.

3.3.2.2.11 *Outside Employment during FMLA*

Outside employment during approved FMLA leave is strictly prohibited and is subject to disciplinary action up to and including termination of employment.

3.3.2.3 **Jury Duty and Court Appearances**

The College grants paid leave when employees are summoned to serve jury duty or appear in court as a state witness (to testify on behalf of the federal, state or local government in a criminal case.) Employees who are summoned to appear in court for other reasons may request to use paid leave (subpoenaed as a witness in criminal or civil cases) or leave without pay (personal law suits, etc).

The College supports employees who are fulfilling their civil and legal obligations as jurors and witnesses.

3.3.2.3.1 *Jury Duty*

1. **Notification:** When an employee receives a summons to serve as a juror, the individual shall submit a leave request form and a copy the summons to the immediate supervisor. The immediate supervisor will then submit the form and summons to Human Resources.

If summoned to serve jury duty on a standby or call-in basis, the employee is expected to report for work every day that the employee is not needed for jury duty. When an employee on standby is advised to report for jury duty, the employee must notify the supervisor.

2. **Service as a Juror:** When an employee is released by the courts for a half day or more, the employee must notify the supervisor and be prepared to report for work.

During extended periods of jury duty, the employee is expected to stay in contact with the manager on a regular basis, and assist in coordinating work during the employee's absence.

3. **Payment:** While on approved jury duty, the employee is paid at the individual's normal salary rate. In addition to the employee's normal salary, the employee may be required to submit any expense money or compensation paid by the jurisdiction in which the employee is serving on jury duty back to the College.

3.3.2.32 *Other Court Appearances*

Notification: When an employee is summoned or subpoenaed to appear in court, the employee must inform the supervisor as soon as possible regarding the anticipated absence from work. The employee must provide a copy of the summons to the supervisor.

Payment/Leave: When an employee is summoned or subpoenaed to appear in court as a state witness (to testify on behalf of the federal, state or local government in a criminal or civic case), the employee is paid leave at the individual's normal salary rate.

An employee who desires to appear in court for any other reason may request to use accrued vacation leave or leave without pay for the period of time spent in court.

3.3.2.4 *Leave without Pay*

The College may provide leave without pay under certain circumstances and at the discretion and approval of the President and the appropriate Vice President and upon recommendation from the employee's immediate supervisor. Reasons for leave may include but are not limited to education pursuits, civic activities, or personal situations.

The College recognizes the importance and value of unpaid leave so that employees may have unpaid time away from work for a variety of reasons.

3.3.2.4.1 *Eligibility*

Individuals who have been employed by the College as a full-time employee for at least 24 months are eligible to request an unpaid leave of absence. All unpaid leave is granted at the discretion and approval of the President and the appropriate Vice President, and upon recommendation from the employee's immediate supervisor.

3.3.2.4.2 *Leave Reasons and Length*

Except in unusual circumstances, leaves of absence are granted for 7 to 60 calendar days for personal reasons; or for 7 to 270 calendar days (or one academic year) for educational reasons.

Usually, leaves of absence may be granted for:

1. Education Pursuits: To continue full time undergraduate or graduate studies at an accredited college or university;
2. Public Service: To participate in a civic, community, or governmental program on a full-time basis;
3. Personal Emergencies: To take care of matters such as serious personal or family problems; or
4. Personal Convenience: To take an extended trip or to participate in cultural or athletic events.

A request for unpaid leave that qualifies under the Family and Medical Leave Policy (see paragraph 3.3.2.2) will be governed by the terms of that policy.

3.3.2.4.3 *Return to Work Following Leave*

Failure to return to work immediately after an unpaid leave will result in termination of employment.

An employee returning from an approved leave is returned to the same position if the leave is 30 calendar days or less. If the leave is longer than 30 calendar days, the employee may be returned to a comparable paid position within the College. If circumstances prevent the department from returning the employee, the employee will be notified.

3.3.2.4 *Benefits While on Leave*

Individuals who wish to continue benefit coverage while on leave without pay must continue their benefits under COBRA (see subparagraph 3.3.3.2.1) and will be responsible for paying the entire (employee and the employer share) cost of health, dental and other insured benefits.

Individuals do not accrue paid leave during periods of unpaid leave lasting longer than one pay period nor are they eligible for increases during the leave period.

3.3.2.5 *Military Leave of Absence*

The College, in compliance with the Uniformed Services Employment and Re-employment Rights Act (USERRA), and other applicable state and local laws, encourages individuals to fulfill military obligations by providing equitable treatment to employees who have military obligations.

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required unless military necessity prevents such notice. A copy of the military orders shall accompany the application.

Employees will receive the difference between their military pay and annual salary, not to be less than zero, for two-week training assignments and other absences of shorter duration. Employees must present satisfactory pay verification data to be paid the difference between their normal base compensation and the pay (excluding expense pay) received while on military duty.

Military leave in excess of two weeks will be unpaid. However, employees may use any available paid time off for the absence.

Continuation of health insurance benefits is available as stipulated by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is eligible (see below for additional information).

Vacation, sick leave, and holiday benefits will continue to accrue during a military leave of absence.

3.3.2.5.1 *Reemployment Rights* ^[L]_[SEP]

Employees who are absent from work for the reason of serving in the Uniformed Services, or for the purpose of an examination to determine fitness to perform service in the Uniformed Services, whether voluntarily or involuntarily, are entitled to reemployment rights and other benefits if:

1. The periods of absence from the College attributable to service in the Uniformed Services do not exceed a cumulative total of 5 years not to include those periods of service expressly exempted from this 5-year limitation by federal law (USERRA Regulations, 20 CFR & 1002.103);

2. The employee is discharged under conditions that do not constitute other than honorable discharge; and
3. The employee reports for or applies for reemployment according to the following time limits (based on the length of the current military service from which the employee is returning):
 - a. Unless applicable law provides otherwise, employees whose period of Uniformed Service is less than 31 days must report to work on the first regularly scheduled workday following 8 hours of rest time upon returning from the place of duty.
 - b. Employees whose period of Uniformed Service was from 31 days to 180 days must submit an application for reemployment no later than 14 days after the completion of service.
 - c. Employees whose period of Uniformed Service was more than 180 days must submit an application for reemployment no later than 90 days after completion of service.
 - d. Employees who, at the time of release from military service, are hospitalized for or recuperating from an illness or injury incurred or aggravated during the Uniformed Service must report for reemployment (if the period of military service was less than 31 days) or apply for reemployment (if the period of military service was 31 days or more) at the end of the period necessary for recovery from the illness or injury, provided the recovery period does not exceed two years.
 - e. Documentation must be provided to establish timeliness of application, and to ensure that all eligibility requirements for reemployment are met. Failure to provide documentation cannot be used as a basis to deny reemployment if the requested information is not readily available through no fault of the employee.

In some instances, Georgia law may provide more generous time periods for seeking reemployment than the time periods established by USERRA that are not set forth above. To the extent Georgia law provides a longer time period for seeking reemployment than USERRA provides in a particular situation, the more generous provisions of Georgia law will be applied.

Paine College is not required to reemploy an employee if the employment from which the employee leaves to serve in the Uniformed Services is for a brief, non-recurrent period and there is not a reasonable expectation that such employment will continue indefinitely or for a significant period.

Paine College is also not required to re-employ an employee returning from military leave if circumstances have changed so that reemployment would be impossible or unreasonable

3.3.2.5.2 *Position Upon Reemployment*

An employee whose period of Uniformed Service was less than 91 days must be reemployed, promptly, in a position that the employee would have attained with reasonable certainty if continuously employed (the "escalator position"). If not qualified for that position (after reasonable attempts to qualify the employee) the employee must be reemployed in the position the employee left, and if the employee is not qualified for the pre-service position (after reasonable attempts to qualify the employee), the employee must be reemployed in any other position that is the nearest approximation first to the escalator position and then to the pre-service position, provided the employee qualified for the position.

For an employee whose period of Uniformed Service was 91 days or more, the requirement is the same, however, a position of like seniority, status and pay may be offered in lieu of the escalator position or the pre-service position.

3.3.2.5.3 *Disabled Veteran*

An employee who has a disability incurred in, or aggravated during military service, and who (after reasonable efforts by the department to accommodate the disability) is not qualified due to the disability to be employed in the escalator position the employee would have attained but for the disability must promptly be reemployed in any other position that is equivalent in seniority, status and pay to the escalator position. If the employee is not qualified for an equivalent position due to the disability, the employee must promptly be reemployed in the nearest approximation to such a position in terms of seniority, status and pay, consistent with the circumstances of the person's case. [SEP]

3.3.2.5.4 *Dismissal*

Employees returning from military leave may not be dismissed, except for cause, within these time limits:

1. Within the first year of reemployment, if the period of service was more than 180 days, or
2. Within the first 6 months of reemployment, if the period of service was between 30 and 180 days.

3.3.2.5.5 *Benefits*

3.3.2.5.5.1 *Health, Dental, and Life Insurance*

An employee and the employee's dependents are eligible to continue participation in the health and dental plan while the employee is on military leave by paying the employee's monthly contribution. The maximum period of coverage shall be the lesser of:

1. The 24-month period beginning the date the employee's leave of absence begins; or
2. The day after the date on which the person fails to return to (or apply for) a position of employment as described in the applicable provision of the Uniformed Services Employment and Reemployment Rights Act of 1994.

If the employee cancels health and dental coverage while on leave, upon reemployment, the employee must notify Human resources within 31 days of returning to work of the employee's intent to re-enroll.

The College will continue to provide Basic Term Life Insurance coverage during the military leave for up to 18 months. The employee and dependents may continue enrollment in the College's other insurance programs by paying the monthly premium(s).

3.3.2.5.5.2 *Disability Insurance*

Coverage can be continued for up to 12-months.

3.3.2.5.3 Retirement Plan ^[SEP]

An employee's service in the military must be counted in determining vested interest and accrued benefits in the Retirement Plan only to the extent required to do so under the law.

3.3.2.6 Sick Leave

Full-time employees will accrue sick leave at the rate of one (1) day per month. An employee may carry over 50% of accrued sick leave time from one fiscal year to the next. The maximum accumulation of sick days is eighteen (18) days. Appointments for medical or dental examinations and/or treatment will be charged to accrued sick leave.

In certain cases, you may be required to present medical documentation from a physician to the employee's immediate supervisor that supports an illness; however, certification is always required for any illness of three (3) consecutive days or longer.

Upon exhaustion of accrued sick leave, the employee may request to use accrued vacation leave for the period of absence. If both accrued sick and vacation leave are exhausted, time absent from work will be charged as leave without pay.

Upon separation of employment, employees are not paid for unused sick leave.

3.3.2.7 Voting

Paine College encourages all employees to vote in elections. This should be done either before or after normal working hours. However, in cases where this is not possible, employees may be given reasonable time off to vote on election days, with the approval of the supervisor or department chair. This time off should be made up at a later date.

3.3.3 Benefit Policies

Paine College offers a variety of employee benefits to eligible employees which include: Group Health Insurance, Group Dental Insurance, Group Life Insurance, Long and Short-term Disability, Retirement Plan, Credit Union Membership, and Tuition Waiver.

Please note that insurance carrier and other third party benefits are subject to change pursuant to alterations in the terms of agreement entered into with those carriers or other third party providers. For details about the College's insurance programs, please refer to summary plan descriptions or contact Human Resources.

A complete updated summary of all benefits afforded to eligible Paine College employees may be obtained from the Human Resources Office.

3.3.3.1 Health and Welfare Benefits

3.3.3.1.1 Insurance Benefits

Paine College offers all full-time employees group health and dental insurance. The College pays the majority of the premiums for both. Family members may be insured at the expense of the employee. Also, long and short-term disability and life insurance are available at the employee's expense. Detailed information regarding these insurance plans, including eligibility and premium information, is available in Human Resources.

3.3.3.1.2 Pre-tax Plans

Federal income tax regulations permit certain medical and health insurance costs to be withheld before taxes. Paine College offers employees a voluntary plan through AFLAC Insurance and Principal Financial. Enrollment is open during the month of September of each year and must remain in effect until the end of the plan year (September 30).

3.3.3.1.3 Retirement and Annuity Plans

Retirement Program Provision is Currently Suspended

All full-time permanent employees are eligible to participate in the Lay Employees Pension Fund of the United Methodist Church. The employee contributes 3% of the employee's annual salary, however the College's matching contribution has been suspended. An employee who terminates employment can apply for a refund of total employee contributions, plus interest; however, the College's share, plus interest, must remain until retirement age.

Enrollment eligibility: Date employed or the beginning of the school year.

Under certain restrictions, an employee is eligible to withdraw funds deposited in the retirement fund only upon retirement, or termination of employment. Contact the Human Resources for guidelines on withdrawal of funds.

Full-time permanent employees who desire to join the Retirement Pension Plan must join the Lay Employees Pension Fund unless they are already a member of TIAA. If the employee is already a member of TIAA, the employee may continue with that plan; however, the College's matching contribution of 6% has been suspended.

All fulltime employees may make contributions to TIAA and Wespah (formerly "General Board for Pensions and Health).

3.3.3.1.3.2 Annuity Plan

Federal income tax regulations permit certain professional employees to defer taxation earned on income set aside in a recognized annuity program. Several private agencies have arranged with Paine College to provide annuity plans. The College will make payroll deductions and report earned income, in accordance with Internal Revenue Service regulations, but does not accept responsibility for the administration of annuity plans.

Enrollment in the programs must be made effective on the date of employment, July 1, or September 1 for the administration of annuity programs.

3.3.3.2 Legislated Benefits

3.3.3.2.1 Continuation of Health Plan Coverage (COBRA)

Paine College complies with the Consolidated Omnibus Budget Reconciliation Act (COBRA). The law insures that employees are given an opportunity to continue medical and dental insurance coverage under group plans when certain qualifying events occur. The employee (or eligible dependent) is responsible for the entire premium cost. The qualifying events are termination of

employment for any reason except gross misconduct; loss of eligibility due to reduction in work hours; death of employee; divorce or legal separation; or dependent child ceasing to be dependent because of age or loss of full-time student status.

Employees should consult with Human Resources for further details regarding their rights and obligations.

3.3.3.2.2 *Social Security/Medicare*

The Federal Social Security-Medicare package is designed to provide an employee protection not only during working years as to disability and death, but also medical care and retirement benefits at age 65. Deductions are made each payday. Paine College also pays an equal amount towards this deduction.

3.3.3.2.3 *Unemployment Compensation*

Paine College participates in the Georgia Unemployment Compensation Program, at no cost to the employee. In accordance with State Laws, this program covers all employees, except temporary, part-time, and students.

An employee ceasing active employment, under certain conditions, may apply directly to the Georgia Department of Labor's Unemployment Division for a determination of benefits. Nine and ten month employees who have received a contract for the following fall semester are not eligible to receive unemployment compensation.

3.3.3.2.4 *Workers' Compensation*

Paine College strives to provide a safe work environment for all employees. In the event of a work-related accident or occupational disease, employees may be eligible for coverage of medical expenses and loss of income in accordance with the Georgia Worker's Compensation Law.

3.3.3.2.4.1 *Notification*

An employee shall immediately notify an immediate supervisor of a work-related accident. The supervisor shall immediately notify Human Resources.

The employee must visit an approved workers' compensation medical provider within three days of the accident to complete a report of the injury.

3.3.3.2.4.2 *Medical Treatment*

If the nature of the injury is serious or causes severe bleeding, the employee shall report or be transported to the closest medical facility emergency room or to the nearest hospital emergency room, for treatment.

If the injury is minor, the employee shall contact the workers' compensation provider for a referral to a medical facility. If the workers' compensation medical facility is closed, the employee shall report or be transported to the emergency room or the hospital.

The emergency room shall be informed that this is a worker's compensation claim.

3.3.3.2.4.3 Absence from Work

An employee who is unable to work must keep an immediate supervisor informed of the employee's status. An employee must be cleared through the workers' compensation assigned physician prior to returning to work if they have been absent for more than five consecutive days.

3.3.3.2.4.4 Continuation of Salary and Benefits

Lost time due to the injury will be handled as follows:

1. Day 1-7 will be charged to sick leave, vacation-leave or leave without pay. This includes the day of injury.
2. Day 8 and greater – compensation will be provided through the College's workers' compensation insurance at a rate determined under Georgia Workers' Compensation Law.

Paid leave and retirement credits will continue to accrue while an employee is absent from work until the employee returns to work or is terminated. The employee is not eligible for holiday pay.

3.3.3.2.4.5 Coordination with Family and Medical Leave

An employee who is absent from work and is receiving worker's compensation benefits shall also be placed on medical leave under the Family and Medical Leave policy. Leave that qualifies as workers' compensation benefits that also qualifies as medical leave under the Family and Medical Leave Policy (see paragraph 3.3.2.2) is counted against the employee's Family and Medical Leave entitlement. Approval of medical leave does not guarantee that worker's compensation benefits will be paid.

3.3.3.2.4.6 Termination Employment

An employee covered by workers' compensation may be terminated if the employee has been absent from the job for a period of one year.

Reasonable accommodation to enable the employee to return to work within a year will be considered when relevant. Change in employment status or termination of an employee receiving workers' compensation must be reviewed with the Human Resources. Any termination decision must be in accordance with applicable federal, state or local law.

3.3.3.3 Additional Benefits

3.3.3.3.1 Credit Union

Paine College employees are eligible to join the Georgia Florida United Methodist Federal Credit Union. Procedures for membership are available in the Human Resources Office.

3.3.3.3.2 Educational Assistance

The College grants Educational Assistance to both faculty members and eligible staff to actively pursue and obtain a Ph.D./ED.D. in that person's preferred/designated area of study (and consistent with the projected needs and strategic plan of the College) as agreed upon with individual's Supervisor(s) or Department Coordinator, Division Chair and the Provost and Vice President of Academic Affairs. The College will provide the cost of tuition, textbooks, and required course

materials for up to two courses, and transportation for one half the total number of round trips required to attend all regularly scheduled classes.

1. The granting of educational assistance is a privilege rather than a right and is granted only upon the approval of the Provost and Vice President of Academic Affairs and the College President. The employee must have been accepted in a program and agree to complete the program or degree within four years prior to submitting a letter of application to the office of the Provost and Vice President of Academic Affairs
2. Faculty members are expected to faithfully pursue the designated course of study by enrolling in at least one course per semester during the academic year and are encouraged to enroll in a second course. With prior approval from a faculty member's Division Chair, a faculty member may be enrolled in two courses at the same time and be granted release time from/for one course. Both faculty and staff members may also receive financial assistance for courses complete during the summer months.
3. While engaging in the educational endeavor, individuals are expected to maintain or perform their usual and customary duties/responsibilities to the College. If release time has been granted to faculty members, appropriate adjustments will be made.

Exceptions to this policy are subject to the review and approval of the individual's supervisor(s) or Division Chair and the Provost and Vice President of Academic Affairs. The granting or denial of Educational Assistant is not grievable.

3.3.3.3 Tuition Waiver

For eligible employees and their spouses and dependent children, the Tuition Waiver will cover 100% of the tuition costs as defined below for undergraduate courses at Paine College. Please note that tuition waivers do not apply to classes at Fort Gordon. Tuition Waivers are only available when the College does not incur substantial additional costs which prohibit the continuance of this program. As such, this policy is subject to change and Paine College explicitly reserves the right to modify its Tuition Waiver policy, procedures, and program eligibility.

3.3.3.3.1 Employee Eligibility

In order to be eligible to receive Tuition Waiver Benefits, the employee must satisfactorily meet the following criteria:

1. **Employment Status:** At the time the Tuition Waiver is requested, the employee must be a regular full-time employee of Paine College (includes full-time employees on paid or unpaid leaves of absence and sabbaticals). Please note that full-time employees who are in default on Federal Stafford Loans at the time of the Tuition Waiver Request are not eligible for the benefit.
2. **Service Requirement:** At the time the Tuition Waiver is requested, the employee must have completed one full year of continuous, full-time service as of the first day of the semester in which the individual enrolls to receive the Tuition Waiver.
3. **Academic Requirements:** The employee must meet the College's admission requirements as well as the program requirements of the respective division to which they are applying.

All 3 criteria must be satisfied for the employee to be eligible for benefits under this Policy.

3.3.3.3.2 Dependent Eligibility

Dependent Eligibility to receive Tuition Waiver Benefits consists of satisfactorily meeting the following criteria:

1. **Legal Relationship to the Qualifying Employee:** For a dependent to be eligible to receive Tuition Waiver benefits, the dependent must be either the lawful spouse or a dependent child of a Tuition Waiver eligible employee. For purposes of this policy, a dependent child is defined in accordance with IRS Regulations, which includes a natural child, an adopted child, or a stepchild of an eligible employee who meets the requirements of Section 132(h) of the Internal Revenue Code, as it may be amended from time to time. It essentially includes all children age 19 years and younger, and children over 19 years as long as the child has not reached his 24th birthday by the end of the tax year, at least 50% dependent upon the parent, and enrolled full-time in school at least 5 months during the tax year. Children of any age who are employed full-time and/or are married are not considered eligible to receive Tuition Waiver benefits.
2. **Employment Status of the Eligible Employee:** For a dependent to be eligible to receive Tuition Waiver benefits, the qualifying employee must be in an eligible status with Paine College as defined under *Employee Eligibility*.
3. **Service Requirements of the Eligible Employee:** For a dependent to be eligible to receive Tuition Waiver benefits, the employee must have completed one full year of continuous, full-time service as of the first day of the semester in which the individual enrolls to receive the Tuition Waiver.
4. **Academic Requirements for the Dependent Student:** For a dependent to be eligible to receive Tuition Waiver benefits, the dependent must meet the College's admission requirements as well as the program requirements of the respective division to which they are applying.

All 4 criteria must be satisfied for the Dependent to be eligible for benefits under this Policy. Please also note that eligible spouses or dependant who are in default on Federal Stafford Loans at the time of the Tuition Waiver Request are not eligible for the benefit.

3.3.3.3.3 Retiree Eligibility

Following the formal retirement of an eligible employee as defined above, Tuition Waiver benefits will be provided as follows:

1. If the employee, spouse, or dependent child is attending Paine College at the time of the formal retirement from the College, such student will be permitted to continue receiving the same Tuition Waiver benefits to complete the Undergraduate degree program being pursued at the time of the formal retirement.
2. Spouse and Dependent Child eligibility for this Retiree provision is contingent upon them continuing to qualify for eligibility the same as provided above for Spouse and Dependent Children of active employees.
3. Should a retired employee, spouse or dependent child receiving retiree Tuition Waiver benefits under this provision cease attending Paine College for more than two consecutive

semesters for reasons other than illness or death of an immediate family member, such retiree benefits will no longer be made available to that individual.

3.3.3.3.4 *Special Circumstances*

Separation of Service During a Semester: In the event of the separation of service of the eligible employee, whether voluntarily or involuntarily, during a semester in which the individual or a dependent is receiving the Tuition Waiver benefit, the waiver will be permitted to continue until the end of that current semester, so long as the student has begun attending classes for which the waiver has been applied prior to the separation event.

Re-Hire of an Employee: Should the College rehire an individual, the employee must repeat the prescribed length of service requirements outlined above unless the separation from the College is less than a 500-hour break in service period. If the break in service is less than 500 hours, the employee will be given length of service credit earned during the immediately preceding episode of employment.

Death of an Employee: If an eligible spouse or dependent child is receiving Tuition Waiver benefits under any of the provisions above at the time of the qualifying employee's death, the Tuition Waiver will continue to be provided to the enrolled spouse or dependent child until the end of that current semester. Following such semester, the Tuition Waiver will be permitted to continue only if the deceased employee would have been eligible for benefits under the Retiree Tuition Waiver Benefit provisions above. If the spouse or dependent child is not actively attending Paine College at the time of the qualifying employee's death, Tuition Waiver benefits will be provided only if the deceased employee would have been eligible for benefits under the Retiree Tuition Waiver Benefit provisions above. Spouse and dependent child eligibility for this provision is contingent upon them continuing to qualify for eligibility the same as provided above for spouse and dependent children of active employees.

3.3.3.3.5 *Tuition Waiver Coverage*

The Tuition Waiver covers charges for tuition only. Course-related fees, such as field trip fees, travel fees, etc., as well as charges for books, room and board and other related charges are the responsibility of the employee, spouse or dependent.

The Tuition Waiver will cover up to a maximum of 160 credit hours per eligible person for undergraduate courses. For the purposes of this policy, credit hours include all classes taken at Paine College for which the student received a grade (whether passing or failing) and the Tuition Waiver Plan covered the costs of tuition. Please note that when both parents of a dependent seeking a Tuition Waiver are employees of the College, the dependent may receive tuition benefits to the maximum number of credit hours from one parent only.

3.3.3.3.6 *Course Selection and Schedules*

Employee Course Selection and Schedules:

1. No restrictions are placed upon the type of courses or the number of courses an eligible employee may take under the Tuition Waiver benefit. Courses selected do not have to be job related and do not have to be taken in pursuit of a degree. Employees are permitted to attempt a normal full course load and receive the Tuition Waiver, provided the employee's work schedule will permit such an attempt and the individual's supervisor does not object

and approves of any variation in work schedule which must be accommodated in order for the individual to attempt such a course load.

2. Nothing in this policy is intended to provide an individual with the entitled right to attempt a full course load under the Waiver in the absence of an accommodating work schedule and supervisor approval. Employees are permitted to schedule only one course during one's normal working hours provided such individual obtains supervisory approval to do so. To schedule a course during one's normal working hours, employees must obtain prior written approval from one's supervisor and the time away from one's work responsibilities to attend such course shall be considered to be the individual's meal period.
3. In all instances of being permitted to attend classes during one's normal working hours, acceptable arrangements must be made for the individual to work his regular number of hours required in the work day and work week in such a manner so as to not incur overtime pay under governmental wage and hour regulations.
4. Please note that taking courses during working hours is a privilege, not a right.

Dependents Course Selection and Schedules: No restrictions are placed on eligible dependents as to the type of courses they may take under the Tuition Waiver benefit, the number of courses they are eligible to take, or the time the courses may be scheduled. The Tuition Waiver is limited, however, to a maximum of 160 credit hours per eligible person for undergraduate courses.

3.3.3.3.7 *Financial Aid*

All students (employees, spouses, and dependents) eligible to receive the College Tuition Waiver benefit must apply through the Office of Financial Aid for all available financial aid, grants or scholarships before the waiver is approved. An employee, or dependents of employees not following the above procedures will be charged the full tuition amount for the number of courses taken.

Any of financial aid, grant, or scholarship the student is awarded will be used by the College to offset the Tuition Waiver benefit. Tuition Waiver recipients are not eligible to receive scholarships funded by the College.

3.3.3.3.8 *Academic Progress*

If an employee, spouse, or dependent does not achieve academic progress, that individual will not be permitted additional tuition waivers and will be required to pay for their courses. Academic progress will be determined using the same guidelines that are applicable to Federal Title IV Financial Aid. Students on suspension from aid will not be eligible for a College tuition waiver. Those guidelines can be located in the College catalog.

3.3.3.3.9 *Tuition Waiver Application Process*

Each employee seeking permission to attend class on the College's time must present a tuition waiver application, approved by the immediate supervisor, agreeing to class attendance of the employee and the time selected. The tuition waiver shall then be submitted to the Vice President of Administrative and Fiscal Affairs for final approval.

Completed application forms for tuition waivers for employee dependents (children or spouse) shall be submitted to the Vice President of Administrative and Fiscal Affairs for approval prior to registration. In all cases, applications must be completed each semester prior to registration.

3.3.3.4 Housing

The College provides a limited number of houses for rent. Inquiries concerning the conditions of occupancy and charges should be directed to the Business Office. Faculty and staff have first preference on rental property.

3.4 Wage and Payroll Policies

3.4.1 Pay Dates and Paychecks Policies

3.4.1.1 Pay Dates

Payday is the first workday of each month. Employees are encouraged to have their paychecks transmitted to their bank account(s) via direct deposit. For those employees who do not elect to have their paychecks transmitted to their bank account(s) via direct deposit, salary checks may be picked up at the Business Office (Service Window - Room 110) anytime after 9:15 a.m. on payday. If the first falls on Saturday or Sunday, payday will be the following Monday.

The President of the College and Vice Presidents for Academic or Administrative Affairs have the authority to request that the Business Office holds an employee's check for the following reasons:

1. Grades and records not submitted to Registrar;
2. Unpaid College accounts;
3. Not returning keys to proper sources;
4. Unpaid library accounts;
5. Lack of proper inventories turned in to the Business Office.

3.4.1.2 Lost or Stolen Paychecks

Lost or stolen checks must be reported immediately to the Business Office. A new paycheck will be issued to the employee upon verification that the check has been lost or stolen.

3.4.1.3 Final Wage Payment

Employees will receive their final paycheck on the next scheduled payday. At the time of separation, employee benefits are directly impacted. All accrued, vested benefits that are due and payable at separation, will be included in the final paycheck. Unused accrued vacation will not be included in the final paycheck. COBRA may be continued at the individual's expense. Employees will be notified in writing regarding the terms, conditions and limitations of COBRA. Please contact Human Resources for additional information.

3.4.1.4 Payroll Deductions

Paine College is required by law to deduct the following from your paycheck: Federal Income Tax, Georgia State Tax, and Social Security Tax (FICA and Medicare). You may arrange through

the Human Resources Office to have the following additional deductions withheld from your paycheck:

1. Employee Life and Health Insurance (optional);
2. Annuities (optional);
3. Retirement (optional);
4. Miscellaneous (Short and Long-term Disability, etc).

All authorized deductions are recorded on the check stub of each paycheck.

3.4.1.41 Federal Withholding Form

Every employee must complete and sign a federal withholding exemption certificate (IRS Form W-4) on the first day of work. This information determines the amount of federal income taxes withheld. Any change in pertinent information, such as family status, that increases or decreases an employee's exemption status should be reported by completing a new W-4 form. An employee may complete a new W-4 form at anytime.

3.4.2 Garnishment of Wages

The College anticipates that employees will manage their financial affairs so that the College will not be obligated to execute any court-ordered wage assignment or garnishment against an employee's wages. However, whenever court-ordered deductions are to be taken from an employee's paycheck, they will be deducted. According to the Federal Wage Garnishment Act, three (3) or more garnishments may be cause for dismissal.

3.5 Employee Services

3.5.1 Library

The Collins Calloway Library is available to all employees. All persons using the library must have a valid identification card.

3.6 Finance, Budget, Accounting, and Purchasing Policies

3.6.1 Finance Policies

3.6.1.1 Contracts

To conduct Paine College's functions of teaching, research, and service, it is at times necessary to enter into contracts with other entities. This policy defines the authority to sign contracts after legal review on behalf of Paine College and applies to all faculty and staff in defining the authority to sign legally binding contracts for Paine College.

By the authority of the Board of Trustees, the President is the only officer of the College authorized to obligate the College in matters of contract. No contract of any kind is valid unless it is signed by the President. In all contracts the Presidents signs as the agent for the College. Signatures other than the aforementioned are not binding to the College.

Legal counsel must review all contracts binding the College. This includes academic program-related contracts, business contracts, and all contracts to retain workers as independent contractors.

3.6.1.2 Debt

To fulfill its mission and strategic plans, Paine College will need to make capital investments, driving capital decisions that impact Paine College's credit. Appropriate financial leverage serves a useful role and may be considered a long-term component of Paine College's balance sheet. Just as investments represent an integral component of Paine College's assets, debt may be viewed to be a continuing component of Paine College's liabilities. Debt, especially tax-exempt debt, provides a low-cost source of capital for Paine College to fund capital investments to achieve its mission and strategic objectives. This policy provides the framework by which decisions will be made regarding the use of debt to finance particular capital projects.

3.6.1.2.1 Objectives

1. To guide the College in its approach and decision-making process to use debt for projects consistent with the Paine College mission.
2. To establish targets for selected financial ratios to ensure the College is able to obtain and maintain highest acceptable credit rating.
3. To provide parameters by which Paine College can bridge cash flow gaps between operating budgets and capital project needs.
4. To establish a framework for determining what projects would qualify for debt financing.

3.6.1.2.2 Debt Operating Guidelines

1. Only projects closely related to the College's core mission and strategic goals will be considered for debt financing. The College will use objective criteria and an open process for prioritizing projects that are consistent with the College's mission.
2. Projects with related revenue stream or budgetary savings that favorably impact the College's operating budget will receive priority consideration. This priority consideration is not intended to exclude other projects key to the College's mission.
3. The length of the financing term shall not exceed the useful life of the asset or project.
4. Federal and State appropriations, grants, designated reserves, and fund raising proceeds are to be used to fund a portion of all capital projects. Debt is to be used conservatively and strategically to preserve the College's future borrowing capacity.
5. Maintain highest acceptable credit rating for the College by limiting overall debt to a level necessary to maintain acceptable credit rating. The College's debt ratio should not be more than 20% of its new liabilities.
6. Debt financed projects will be analyzed by the Vice President for Administrative and Fiscal Affairs and submitted to the President's Administrative Council for review.

7. The Board of Trustees will be provided with annual reports of all debt obligations and the status of the College's financing capacity. Any changes to the College's debt carrying capacity or debt portfolio will be reported to the board at the earliest scheduled board meeting.

3.6.1.3 Endowment Spending

The College allocates annual endowment distribution to all individual endowed funds based upon the following policy. All uses of endowment distribution must be strictly in accordance with the original donor agreement and/or Board of Trustee directive regarding the specific Endowment fund.

This policy applies to all departments or organizations that receive endowed and/or quasi-endowed funds.

To preserve the purchasing power of the endowment principal while providing income for expenditure, the amount distributed to each fund is calculated according to the following formula: $5\% \times (12 \text{ quarter average market value of the endowment pool})$. In compliance with Georgia's Uniform Prudent Management of Institutional Funds Act, total growth endowment in a year in excess of the 5% spending rate shall be retained in the fund as part of the accumulated reserve (the amount in excess of the historical dollar value of all endowment donations.)

Endowment distribution can be carried forward to subsequent fiscal years; however, departments cannot overspend the endowment distribution.

The Board of Trustees shall review the endowment spending policy at least annually.

3.6.1.4 Financial Records

The Vice President of Administrative and Fiscal Affairs maintains the official financial records of Paine College, which include Revenue and Expense Reports; Financial Statements; Budget Records; and Endowment Reports. Supplemental financial records may also be retained, but must be consistent with and reconcile to the official information maintained by the Vice President of Administrative and Fiscal Affairs. Duplicates of these records are also housed in the President's Office.

3.6.1.5 Investments

The Investment Policy governs the investment management of the Endowed Assets ("Endowment") of Paine College. This policy applies to all College investments.

3.6.1.5.1 Financial and Investment Objectives

The primary financial objective of the Endowment is to provide funds for the current and future support of the operations and mission of Paine College. Implicit in this objective is the financial goal of preserving and enhancing the Endowment Fund's inflation-adjusted purchasing power, while providing a relatively predictable, stable and constant stream of income for current use consistent with the first objective.

The long-term investment objective of the Endowment shall be to generate long-term average total returns equal or superior to the market as measured by the Standard & Poor's 500 and other applicable indices to be determined by the Board of Trustee's Financial and Budget Policy Committee (the "Committee") as reviewed by the College investment partner. The level of risk

assumed in the pursuit of this investment objective should be commensurate with the weighted average risk of the indices.

3.6.1.52 *Philosophy*

The Endowment shall be diversified in such a manner as prudence would indicate in accordance with Uniform Prudent Management of Institutional Funds Act (UPMIFA), throughout time among a variety of investment vehicles determined by the Committee. The purpose of the diversification is to provide reasonable assurance that no single security will have a significant negative impact on the market value of the total portfolio.

3.6.1.53 *Investment Management Structure*

The Committee will choose, approve, and monitor the investment partner for the Endowment. The Committee will report regularly to the Board of Trustees concerning the state of the Endowment and the performance of its partner. The Endowment will be managed by an external investment advisory firm (“Investment Partner”). The Investment Partner has complete discretion to manage the assets in each particular portfolio to achieve its investment objectives within the guidelines set forth in this policy statement.

3.6.1.54 *Portfolio Composition and Asset Allocation Guidelines*

3.6.1.5.4.1 **Equities**

1. To achieve diversification investments shall be made across various equity styles, foreign and domestic, and various capitalization sizes and industry sectors. The Endowment shall be diversified among different industries, with a concentration in any single industry and in any single company of not greater than twenty (20) percent and five (5) percent respectively, unless specifically approved as an exception by the Committee. Futures and derivatives as investments shall not be used except by majority vote of the Committee. In addition, equity investments shall be limited to the following guidelines:
 - a. Convertible securities shall have a credit rating of at least Baa/BBB Moody’s/Standard & Poor’s and be convertible into shares of stock with a market capitalization greater than \$1 billion.
 - b. Prohibited investments include securities purchased on margin, short sales, or substantially similar transactions, and speculative non-hedging transactions involving stock options, futures, or similar instruments.
 - c. Investments may be in commingled funds which follow investment guidelines which are substantially similar or more conservative than those set forth above.
2. The maximum equity target shall be defined by the Committee and communicated to the investment manager in the form of an Asset Allocation Guideline (see below). The Committee may alter the equity target by providing a newly executed Asset Allocation Guideline to the investment manager.
3. Upon specific approval by the Committee, investments in income-producing real estate shall be permitted and shall be treated as an equity investment.
4. The portfolio shall be invested in accord with the Asset Allocation Guideline as set out below.

The Committee may modify these guidelines at any time by a majority vote. The investment manager(s) shall be required to rebalance the portfolio every January.

Asset Allocation Guideline

Cash and Cash Equivalent	5-15%
Fixed Income	25-35%
Equities	50-70%
Domestic	70-100%
International	0-30%
Large Cap	35-55%
Mid Cap	15-35%
Small Cap	5-15%
Alternative Investments	0-15%

3.6.1.5.4.2 Fixed Income

1. Fixed income investments shall be limited to government, government agency, and corporate instruments having minimum investment grade credit ratings of “Baa” by Moody’s, “BBB” by Standard & Poor’s, unless specifically approved as an exception by the Committee.
2. Except for government and agency issues, no more than ten (10) percent of the market value of the portfolio should be invested in any one issue, nor more than twenty (20) percent of the market value in any one industry, unless specifically approved as an exception by the Committee.
3. Prohibited investments include securities purchased on margin, short sales, or similar transactions.
4. Investments may be made in commingled funds that follow investment guidelines that are substantially similar or more conservative than those set forth above.

3.6.1.5.4.3 Cash Equivalents

Cash and equivalents will represent a maximum of 15% of the total account and a minimum of 5%.

1. Cash and equivalents shall consist of investment grade, liquid securities such as certificates of deposit, commercial paper, U.S. Treasury Bills and other Treasury Obligations, Government Agency paper, and high-quality, short-term corporate securities.
2. Commercial Paper shall be rated no lower than A1/P1.
3. Corporate securities shall be rated no lower than Baa1/BBB+.
4. Investments may be made in commingled funds that follow investment guidelines substantially similar or more conservative than those set forth above.

3.6.1.5.4.4 Alternative Investments

Alternative investments can be considered as an asset class. They may include investment vehicles such as hedge funds, hedged strategies, private and/or public equity real estate, energy and natural resources, private equity, and other investment strategies whose underlying securities are traded on public exchanges or are otherwise readily marketable. No more than 15% of the total market

value of the entire portfolio shall be invested in alternative investments as defined above.

The Investment Manager shall meet and report to the Financial and Budget Policy Committee on an annual basis. The report shall include the following information:

1. Evaluation of the last quarter's and year to date performance.
2. Evaluation of specific investments as they relate to the portfolio.
3. Discussion of the economic outlook, interest rate projections, etc.
4. Discussion of plans for future investments.
5. The Investment Manager will be available to respond to periodic telephone inquiries regarding the fund's performance and to questions regarding investment strategy.

The Financial and Budget Policy Committee may engage the services of an outside professional organization to evaluate and compare the investment results with other funds or investment managers.

3.6.1.5.4.5 Ethical Considerations

The Financial and Budget Policy Committee, along with the Investment Manager, will make all good faith efforts to make investments that are consistent with the mission of the College. Such efforts and investments will be reviewed periodically with the Financial and Budget Policy Committee.

3.6.1.5.4.6 Restricted Funds

Funds restricted by a donor will be invested with all unrestricted funds unless specifically requested/specified by the donor and approved by the Board of Trustees. Funds restricted by the donor for a specified purpose will be used for the purpose identified by the donor without exception.

3.6.1.6 Prohibited Transactions

Paine College funds are to be used only to meet the educational, research and public service missions of Paine College. This policy applies to all faculty, staff, and student organizations in the expenditure of Paine College funds.

Prohibited Transactions include, but are not limited to, the following:

1. Expenditures for personal gain of employees or their families.
2. Payments of political contributions.
3. Purchase, rental, repairs, cleaning or laundering of clothing, including formal wear and academic attire, for personal use.
4. Expenditures for subscriptions for journals, magazines, newsletters or newspapers for delivery to employees' homes.
5. Expenditures for computers, other equipment or other items for personal use.
6. Payments or reimbursements for personal violations, fines, or stolen articles.
7. Payments or reimbursements for annual fees for personal credit cards.

8. Reimbursement of credit card delinquency assessments or interest or overdraft charges unless caused by Paine College error. Requests for reimbursement of charges resulting from a Paine College error require the signature of the Vice President of Administrative and Fiscal Affairs or a designee.
9. Purchases of gifts, flowers or greeting cards to employees unless approved by a Vice President.
10. Payments for personal memberships in professional organizations unless authorized in writing by the Provost and Vice President for Academic Affairs or Vice President who by approving certifies that the membership is required for the individual's job-related responsibilities or to support the mission of the College.
11. Payments for personal membership in social, dining, airline, and hotel clubs except as expressly approved by applicable Vice President.
12. Payments or reimbursements of childcare or pet care costs.
13. Reimbursements for use of personal airline miles/points for business related travel.
14. Reimbursement for personal travel expenses when a trip itinerary includes both personal and business-related travel.
15. Any purchases of a personal nature.
16. Repair to or replacement of personal property of an employee.

3.6.1.6 Prohibited Transactions Subject to Other Policies and Regulations

This policy sets Paine College' standard for prohibited transactions. Grants, contracts and other activities may be subject to other requirements. Those requirements may be more restrictive but may not overrule Paine College requirements. Where other standards are more restrictive than Paine College standards, the other standards will be followed.

3.6.1.7 Relocation Expenses

It is the policy of Paine College to permit payment of relocation expenses under extraordinary conditions and subject to prior approval by the President.

3.6.1.7.1 Requirement for Advance Authorization

At the time a position is opened for recruitment, or at the time a final candidate is being considered, but before an employment offer is made, the Vice President who believes that a relocation reimbursement may be necessary, must obtain the approval of the President.

The request for relocation must demonstrate that the position is of such significance, and/or the candidate is so outstanding as to warrant the offer of a relocation reimbursement. The request must also show that sufficient funds are available to support the request. Under no circumstance is relocation reimbursement an entitlement or a regular part of the benefit package.

Relocation will be considered only if the prospective employee lives outside a 50-mile radius of Augusta, and will include only household goods. Relocation costs for vehicles, animals, etc., are not included.

If the position is funded in whole or in part by grant or contract funds, the approval of the sponsoring agency must be obtained prior to the consideration of the President.

If approved, payment for relocation expenses up to a fixed, designated amount, which may not cover the entire cost, may be included in the appointment letter. The applicable Vice President will be responsible for informing the Human Resource Office that the President has approved relocation payment and providing documentation of the approval and the amount approved. The employee will be paid the relocation amount on the first regular paycheck.

3.6.1.72 *Reimbursement Requirement*

The offer of a relocation reimbursement must include the requirement of a commitment on the part of the employee to remain in Paine College employ for a minimum of one year or the duration of the contract as applicable. If the employee voluntarily leaves Paine College for any reason or is terminated for cause, the employee will be required to reimburse Paine College a pro-rated portion of the original reimbursement.

If approved as part of the relocation, one-way personal travel reimbursement may be offered to immediate family members, including spouse and dependent children. Such travel will be subject to Paine College' travel policy.

3.6.1.73 *Tax Implications*

Departments should be aware that the Internal Revenue Service (IRS) requires the Paine College to report certain reimbursements and advances associated with the move as additional compensation income to the employee, subject to payroll and income taxes. Tax regulations related to moving expenses change over time and in response to tax litigation.

3.6.1.74 *Interview Travel*

Recruitment travel by a prospective employee for purposes of interviews, etc., is not covered under this policy, but is covered by Paine College' travel policy.

Travel expenses in connection with employment interviews are authorized when necessary to acquire key personnel for employment. Travel expenses are allowed to the extent authorized in a formal, written invitation to the prospective employee, as long as they do not exceed the budgeted resources available and are consistent with the policies and procedures established by Paine College.

3.6.1.75 *Temporary Housing*

Payment of temporary housing as part of an employment agreement requires the approval of the President and is only done in extraordinary circumstances. Payment for temporary housing is made directly to the employee, who is responsible for payments to their landlord or other provider, and should be processed through the Business Office. Such payments may be made to the employee through payroll.

3.6.1.8 *Travel*

This policy is intended to provide for the reasonable needs of travelers, to control travel expenditures, to facilitate proper reporting, and to ensure compliance with applicable IRS requirements. It applies to all travelers (faculty, staff, students, and guests) regardless of the source of funds. If travel expenses are charged to a grant/contract source, the terms of the grant or contract will take precedence if they are more restrictive than this policy.

3.6.1.8.1 *Travel Authorization and Scope*

When preparing for travel, the following steps must be followed:

1. The requisitioner forwards the document to the Department Head for signature.
2. The Department Head will then confirm or verify that the Travel Advance Form has been properly signed and the funds are available.
3. The Travel Advance form shall include a detailed description of the travel activity, along with a list of attendees and the proper budget code.
4. The Department Head will then submit the Travel Advance Form to the Vice President who will then sign and forward to the Business Office.
5. All requisitions will be logged in by the Administrative Assistant who will notify all requestors that the requisition form has been received via email in the office of Business and Finance.

The Vice President for Fiscal Affairs is the institutional officer primarily responsible for the oversight and implementation of the rules and regulations governing office travel by faculty, staff and administrators.

Applications to travel at College expense, upon approval by department/division head or other appropriate designee shall be submitted at least seven (7) days in advance of intended travel date. All travel requests are approved by the Vice President for Fiscal Affairs on the basis of priority of business and availability of funds.

3.6.1.8.2 *Restrictions*

Restrictions – General: For travel reimbursements and payments to be considered non-taxable income, Paine College’s policies and procedures must comply with the IRS Accountable Plan Rules, meeting three conditions:

1. ***Business Connection:*** Reimbursements and advances provided to travelers must be for work-related expenses only. An advance payment must be reasonably related to the business expenses that a traveler is expected to incur.
2. ***Substantiation:*** Travelers must provide, within fifteen (15) business days, of completing the travel, a statement substantiating the amount, time, use, and business purpose of the expenses.
3. ***Return of Advances:*** **If Advanced Travel funds are disbursed and the actual Travel Expense Report is not finalized in 30 days from the advancement of funds, the amount of the advancement will be deducted from the employees’ payroll until paid in full. If this situation occurs, there will be no approval of future advancements until the situation is cleared.**

Travel for Business and Personal Reasons: If a travel itinerary includes personal or vacation travel, only the business portion of the trip will be reimbursed. The traveler must provide documentation showing the incremental costs to be treated as personal expenses.

Trip of Less Than 50 Miles: Trips of less than a 50-mile radius do not qualify for an overnight stay and Paine College does not generally allow meal expenses for such one-day travel.

Foreign Travel – General: For approved foreign travel, the actual costs of acquiring passports, visas, tourist cards, identifying photographs, birth certificates, inoculations, currency exchange fees, etc., are reimbursable. However, these costs are often not reimbursable by federal grants or contracts. When in doubt, consult with the Business Office. The traveler is responsible for ensuring that all necessary documentation is complete and appropriate for the foreign itinerary.

Travel over Weekend: If travel is extended over a Saturday night to achieve better pricing, the reduction in cost of the travel must be greater than the cost of hotel and meals for the added period, and this should be demonstrated in the supporting travel documentation.

3.6.1.8.3 General Documentation Requirements

Each traveler shall keep a log of daily travel expenses and receipts must be obtained and carefully retained for all expenditures for which they are normally available. Original detailed and dated receipts must be submitted with the Travel Expense Report for all claimed reimbursements.

Foreign Currency: Expenses translated from a foreign currency must include supporting documentation for the rate used.

3.6.1.8.3.1 Airfare and Other Common Carriers (rail, etc)

Airfare – General: Electronic airline tickets constitute an acceptable receipt. Purchases directly from the carrier or via the web are permitted to obtain best pricing.

Travel Upgrades: Travel by common carrier must be for tourist, coach, or economy rate. Any upgrade must be paid for by the traveler at the traveler's own expense. Rail fares may not exceed the regular fare charged to the general public. Round-trip or excursion fares should be used if practicable. Sleeping accommodations, if justified, may be utilized. The traveler's department/division head must specifically approve charges for ticket changes and excess baggage consisting of Paine College materials.

Personal Frequent Flyer Miles: Travel arrangements made using personal frequent flyer miles will not be reimbursed.

Common Carrier Documentation: Receipts must be presented for all train, bus, or airline travel.

3.6.1.8.3.2 Auto, Private/Rental

Private Auto Use: When travel by private automobile is chosen over a common carrier to save time, transport equipment, or reduce costs when a number of people are traveling to the same destination together, reimbursement to the traveler will be on the basis of actual business mileage traveled. Reimbursement for private vehicle use will not exceed the cost (or sum of costs for more than one traveler) of round trip air travel between the nearest airport of origin and destination, including coach fare and incidental expenses to travel to or from the airport. In calculating this figure, the cost of the transportation is based on the current IRS rate. This rate includes all expenses incidental to such transportation. If several travelers share a privately owned vehicle, only the owner of the vehicle will be reimbursed for mileage. If several travelers share a privately owned vehicle, only the owner of the vehicle will be reimbursed for mileage. No reimbursement is permitted for costs of repairs or damages to vehicles, costs for locksmiths, car washes, or towing whether they result from the acts of the traveler or others. Fines for moving or parking traffic violations are not reimbursable.

Commuting costs (transportation between home and work place) are never reimbursable.

Rental Vehicle: Rental vehicles may be authorized in advance when other transportation is not available or when their use results in savings. Vehicles shall be economy or compact models. Persons utilizing rental cars for College travel are covered under the College's fleet insurance policy and do not need to purchase additional insurance coverage. Insurance offered by the rental agency will not be reimbursed on rentals within the United States. Automobile rentals in foreign countries must elect the optional insurance for the vehicle, but not for luggage. Receipts must be provided for all rental vehicles.

3.6.1.8.3.3 Car and Taxi Services

Car and Taxi Service – General: When traveling, public transportation shall be used whenever practical. In cases where there is a business reason to use a taxi service, (e.g., time constraints or the need to transport Paine College materials), it is reimbursable. Car or taxi service to and from airports and terminal, are allowed. The least costly transportation must be used, especially if shuttle services are available.

Car and Taxi Service Documentation: Taxi fare and costs of other local public transportation are allowable for official travel; receipts must be provided.

3.6.1.8.3.4 Lodging and Meals

When a conference or meeting is offered as a package including hotel room and meals, payment is usually made in advance and reimbursement of the traveler is not necessary. Travelers are expected to use prudent judgment in the selection of hotels and restaurants while on official Paine College business.

Where possible, travelers should actively seek discounts for educators, AAA members, etc.

Transport between hotel and restaurant is allowable with appropriate documentation.

1. **Lodging:** Lodging within 50 miles of the traveler's home is not allowable unless fully justified as to the compelling business purpose or extraordinary circumstances. The President must approve such cases in advance.
 - a. **Documentation:** The original itemized, dated hotel bill, marked as paid, must be submitted with the Travel Report. Reimbursement of domestic and foreign lodging expense will be made based upon actual expenditure not federal per diem reimbursement rates.
 - b. **Reimbursement:** Traveling employees are reimbursed for the expenses incurred, not to exceed the actual cost for their hotel/motel lodging. In all cases, traveling employees are required to obtain lodging at the lowest rate and/or discount available. **Receipts MUST be furnished in order to claim reimbursement.** Personal expenses and services (in- room movies, health club fees, etc.) are the responsibility of the traveler. Where possible, telephone cards should be used; hotel phone service is not reimbursable.
2. **Meals:** Meals should not exceed the amount of \$22.50 per day for students and \$25.00 per day for adults. Receipts must be included in the Travel Report.

3.6.1.8.3.5 Other Travel Expenses

The following items are generally reimbursable to the extent they are reasonable and necessary business expenses. In addition to the general documentation and restriction requirements, see sections noted for rules regarding some of these expenses:

1. Telephone calls related to Paine College business
2. Registration/conference fees
3. Computer network access
4. Cellular phone use for business
5. Currency conversion fees
6. Fax charges
7. Gasoline for rental cars, including final fill
8. Laundry/dry cleaning on trips exceeding 5 business days
9. Overnight packet service when needed for business documents
10. Parking fees paid to park personal vehicles while traveling on College business are reimbursable; receipts must be submitted.
11. Mileage on personal vehicles; Taxi/car service to make travel connections; Tips
12. Tolls
13. Required vaccinations for foreign travel; Fees for purchase of traveler's checks
14. Visa and passport fees

Other documented and justified cost items will be given consideration for reimbursement. Paine College will reimburse a traveler only for an item paid by the traveler and only after the travel has taken place.

3.6.1.8.4 Cancelled Travel

If a trip is cancelled for reasons beyond the traveler's control (e.g., conference cancellation and weather closings), Paine College will reimburse the personal costs expended to date that are not returned. Cancellation of reservations for lodging and transportation is the responsibility of the traveler. Any penalty for failure to cancel reservations will be the personal responsibility of the traveler if the supervisor determines that the reservation could have been cancelled in time to avoid the penalty.

3.6.1.8.5 Non-Paine College Employees

Travel expenses for non-Paine College employees such as consultants, speakers, job applicants etc. are generally reimbursed in accordance with contracts for services as approved by the President.

3.6.1.8.6 Spousal Travel

Other than the President's spouse, Paine College will not reimburse employees for spousal travel.

3.6.1.87 *Travel outside Paine College*

At the President’s discretion, given extenuating circumstances, the President may waive a Paine College travel restriction; grant-sponsored restrictions may be waived only by the sponsoring agency.

3.6.2 *Budget Policies*

In January of each year, each faculty or staff member who has budgetary responsibility is furnished a form for the purpose of submitting a request for budget funds for the following fiscal year (July 1 through June 30). Those requests will be submitted through the respective administrative channels for review, comments, and possible corrections or changes. The budget requests will then be compiled by the Vice President of Administrative and Fiscal Affairs with the assistance of the Comptroller and then be presented to the President for approval. The President will then present the budget to the Board of Trustees. Upon approval by the Board of Trustees, the budget supervisors will be informed as to the amount budgeted. The budget supervisors will then be notified of their “Authorized Budgets” and those budget amounts will become the funds authorized for the fiscal year.

Reports will be made monthly (on the 15th of each month) to the individual budget supervisors as to the status of their funds. Each budget supervisor has the responsibility of monitoring expenditures to insure against overspending. **The Vice President for Administrative and Fiscal Affairs or the Comptroller will reject requests for expenditures in excess of budgets.**

3.6.2.1 *Budget Adjustments*

Between the time the budget is approved by the Board of Trustees and the start of the fiscal year, there could be adjustments to the budget, either by increases or decreases in revenue and increases or decreases in fiscal year expenses. These adjustments will be reported to the President and Board of Trustees.

3.6.2.2 *Fiscal Year End Budgetary Transactions*

At the end of the fiscal year, the Business Office will close the budgeted funds by making the necessary transfers into reserve funds and ensuring that the funds are in balance (revenues equal expenses).

3.6.3 *Accounting Policies*

3.6.3.1 *Capitalization, Depreciation, and Disposition*

The purpose of this policy is to establish guidelines for the control of capital assets owned by Paine College. The purposes of the controls are to safeguard and preserve the life expectancy of fixed (capital) assets. The purpose of this policy is also to provide guidelines to ensure accurate and complete financial reporting for the acquisition of tangible and intangible property, and the depreciation and disposition of capital assets, in accordance with applicable laws and regulations and generally accepted accounting principles.

All fixed (capital) assets obtained by Paine College are to be capitalized, depreciated, and disposed of in accordance with applicable laws or regulations, generally accepted accounting principles, and this policy. If this policy is ever inconsistent with the requirements of applicable laws or

regulations or generally accepted accounting principles, the applicable laws or regulations or generally accepted accounting principles, in that order, will take precedence over this policy.

Capital assets obtained by Paine College include those that are purchased with Paine College, gift, or grant funds, or acquired by other means.

Tangible or intangible property acquired by Paine College that does not meet the definition of a fixed (capital) asset is to be expensed as incurred. Capital asset repair and maintenance costs that do not meet the definition of improvements to land, buildings, or leaseholds are to be expensed as incurred.

Title to or ownership of all Paine College property is deemed to be vested in Paine College unless stipulated by the funding source. Title does not rest with any department, faculty, student, or staff member, regardless of the source of funds or donations associated with the acquisition.

3.63.1.1 Capitalization of Fixed (Capital) Assets

Capital Asset Definition: A capital asset, for the purposes of this policy, is defined as tangible or intangible property owned by Paine College and property leased from others that qualify as a capital lease or leasehold improvement with a useful life that extends beyond the year it is placed in service and meets the definition and minimum dollar amount for capitalization per asset category as follows:

Land: Land is real property that is purchased or acquired by gift or bequest for operating purposes. Land is accounted for and controlled by parcels that are identified by their legal description. All land costs are capitalized but not depreciated.

All expenditures made to acquire land and to ready it for use are considered part of the land cost. Land costs typically include the purchase price; closing costs, such as title to the land, attorney and appraiser fees, and recording fees; and costs incurred to prepare the land for its intended use, such as grading, filling, draining, and clearing.

When land is acquired with a building erected thereon, total cost is allocated between land and building in reasonable proportion at the date of acquisition. If the transfer document does not show the allocation other sources of information may be used, such as an expert appraisal or the real estate tax assessment record.

Land Improvements: Land improvements include exhaustible modifications made to land and infrastructure to add to its value, enhance its functionality, or adapt it to new use. Land improvements with a total cost of \$500.00 or more are capitalized.

Land improvements typically include landscaping, roads, sidewalks, fences, curbs, bridges, irrigation and drainage systems, parking lots, lighting, sewer and electrical utility infrastructures, and athletic fields, tracks, and courts.

Buildings: Buildings are permanent, enclosed structures that house persons or personal property. Buildings are accounted for and controlled as individual buildings or structures. Buildings with a total cost of \$500.00 or more are capitalized.

The cost of buildings should include all expenditures related directly to their acquisition or construction. In addition to the purchase or construction costs directly identifiable with the building project, this would include legal and title fees, professional fees (e.g. attorneys, architects, engineers, etc.), surveying and appraisal fees, site preparation costs, broker's fees, closing costs,

costs related to the demolition of unwanted structures, overhead and interest costs if new construction and any other costs necessary to place a building or structure into its intended location and condition for use.

When land is acquired with a building erected thereon, total cost is allocated between land and building in reasonable proportion at the date of acquisition. If the transfer document does not show the allocation, other sources of information may be used, such as an expert appraisal or the real estate tax assessment record.

Building Improvements: Building improvements include alterations, renovations, and repairs to existing structures that increase the value of the building or structure, make it more useful (i.e. increase its performance, capacity, or future service potential), or significantly increase the normal service life of the building or structure. Building improvements with a total cost of \$500.00 or more are capitalized.

Building improvements typically include the **major** replacement or upgrading of building systems or components necessitated by obsolescence, change in use, code requirements, deterioration, and/or related space modifications and aesthetic improvements. Building systems and components include all permanently attached fixtures, machinery, and other components that cannot be removed without damage to the building. Examples include boilers, furnaces, HVAC systems, elevators, plumbing, electrical wiring, telecommunication/data wiring, fire alarm and sprinkler systems, and lighting fixtures.

Leasehold Improvements: Leasehold improvements include alterations, renovations, and repairs to leased facilities that increase the value of the leased facility, make it more useful (i.e. increase its performance, capacity, or future service potential), or significantly increase the normal service life of the facility. Leasehold improvements with a total cost of \$500.00 or more are capitalized and amortized over the life of the lease.

Additional guidance for building or leasehold improvements: Many times improvements and replacements result from a general policy to modernize or rehabilitate an older building, structure, or facility. Good judgment shall be used to differentiate these types of expenditures from normal repairs; i.e. does the expenditure increase the future service potential of the building, structure, or facility, enhance its efficiency, or prolong its service life, or does it merely maintain the existing level of service?

Expenditures that maintain the existing level of service should be expensed as incurred. Expenditures that increase the future service potential of the asset should be capitalized.

Examples of expenditures that should be capitalized (if the \$500.00 capitalization threshold is met):

1. Significant structural changes that increase the building's usefulness, efficiency, or useful life such as reinforcement of floors or walls, installation or replacement of beams, rafters, joists, steel grids, or other interior framing.
2. Improvements involving the removal of a major part or component of a building and the substitution of a different part or component with better or superior operating capability such as the replacement of single pane windows with thermal windows or the upgrading of plumbing and electrical wiring to meet new code requirements.

3. Improvement costs to restore or improve buildings, such as the total or partial upgrade of a facility to higher standards of quality or efficiency than originally existed. Examples would include the complete interior renovation of a building or the reconfiguration of an existing space to serve a new or different purpose. All costs associated with such renovation efforts should be capitalized as part of the building, including expenses like painting or re-carpeting that typically would be expensed.
4. The installation or complete replacement of siding, roofing, masonry, etc.:
5. Examples of expenditures that should be expensed as incurred (unless associated with a major renovation project, in which case all expenses, including those below would be capitalized as part of the total project cost):
 - a. Work to maintain buildings and building improvements in existing condition, such as repainting, touch-up plastering, and any other maintenance-related expenditure that does not increase the value of the building.
 - b. Repair or partial replacement of deteriorated siding, roofing, or masonry sections.
 - c. Replacement of a part or component of a building with a new part of the same type and performance capabilities, such as the replacement of old windows with the same type or grade of windows.
 - d. Replacement floor, window and wall coverings, such as linoleum, tile, carpeting, blinds, drapes, wallpaper, or paneling.
 - e. Expenditures incurred to maintain assets in good operating condition.

Construction in Progress: The costs of buildings or other real property assets under construction at a balance sheet date that meet or exceed the capitalization thresholds identified above will be capitalized and included on Paine College’ balance sheet as “Construction in Progress”. When the constructed asset is substantially complete and put into use, accumulated construction-in-progress costs are capitalized and depreciated within their respective fixed (capital) asset category in accordance with this policy.

Furniture and Equipment: Furniture and equipment is tangible personal property purchased or acquired by gift to be used for operating purposes with a total cost (fair value if donated) of \$500.00 or more, such as desks, filing cabinets, computer hardware, automobiles, etc. Personal property acquired for resale is not to be recorded as furniture or equipment but as merchandise inventory.

The cost is net of any purchase discounts and includes all non-refundable purchase taxes, freight or transportation charges, and any costs necessary to place the asset in its intended location and condition for use. This includes costs paid to the vendor for installation and testing. Labor costs incurred by Paine College personnel for installation and testing are not includable as part of the cost.

Pieces of furniture with an individual cost of less than \$500.00 that are purchased as a “set” or “group” that will be used together and have a combined cost of \$500.00 or more should be capitalized. Examples include tables and chairs for a meeting room, classroom desks, or bedroom sets for residence halls.

Include the cost of extended maintenance or warranty contracts in the asset cost if the contract is purchased at the same time as the furniture or equipment.

Property Leased From Others Under Capital Leases: A capital lease is a lease that is treated in a manner similar to a fixed (capital) asset purchase with a minimum capitalization cost of \$500.00 per item. If the lease is non-cancelable and has at least one of the following characteristics, the leased asset is recorded on the books as a fixed (capital) asset of the College:

1. It passes title to the lessee;
2. It contains a bargain purchase option;
3. Its lease term is at least 75% of the asset's estimated economic life;
4. The present value of the minimum lease payments (discounted at the lower of the implicit interest rate or the incremental borrowing rate) equals or exceeds 90% of the asset's fair value.

Similar consideration should be given to "sets" or "groups" of items as noted above.

Computer Software: Computer Software is intangible property that is designed to cause a computer to perform a desired function. Computer software that is acquired from a third party shall be capitalized if the cost or fair value, if donated, is \$500.00 or more.

Library Resources: Library resources purchased for the library are expensed.

Library resources donated to the College to be used in the library are recorded at fair value as of the date of the gift.

Expenditures for library book binding, document delivery, electronic media disks and tapes, and electronic media online are expensed as incurred.

Collections: Collection items may be acquired by either donation or purchase. Collections include works of art, rare books and documents, and other items held for display or study. All collection items are capitalized, but are not depreciated. Collections are items that meet all of the following criteria:

1. The collection is held for exhibition to the public or for educational purposes or research, and not for financial gain.
2. The collection is protected, cared for, and preserved.
3. At the time of acquisition, it is understood that should the collection item(s) ever be sold that the proceeds from the sale of the collection item(s) be reinvested in other collection items.

Other Assets: Other assets include works of art, historical treasures, and similar assets with a cost of \$1,500.00 or more that do not meet the definition of a collection.

Exception to the above definition of fixed (capital) assets: If assets are purchased with federal funds, the institution will follow the applicable cost circular from the Office of Management and Budget for the capitalization threshold. OMB guidance states that sponsored/federal titled assets, an article of tangible nonexpendable personal property having useful life of more than one year and an acquisition cost of \$5,000 or more per unit, is considered capital equipment. However, the lower limit of \$500 that Paine College established as the capitalization threshold will apply and must be established for consistency with the College's policy. Fixed (capital) assets purchased with federal funds will be identified as such in the Paine College general ledger.

3.6.3.1.2 *Acquisition of Fixed (Capital) Assets*

Purchases: Purchases are to be made using either a Paine College purchase order or a contract between Paine College and the vendor. See the Financial Transaction Policy for information regarding purchasing authority as well as the Paine College Purchasing Procurement Policy.

Donations: Fixed (capital) assets, donated to the Paine College, will be recorded at the fair value of the property as of the date of the donation. The Advancement Office will be notified of all donations of fixed (capital) assets prior to acceptance so that donations are accepted, documented, and acknowledged in accordance with Internal Revenue Service (IRS) regulations and Paine College Gift Acceptance Policy. The Advancement Office will coordinate with the Business Office to ensure that donations of fixed (capital) assets are recorded in Paine College accounting records in accordance with generally accepted accounting principles, Paine College gift acceptance policies, and this policy.

Acquisition of land and buildings: For all land and building acquisitions, the Vice President of Administrative and Fiscal Affairs or the President will ensure that legal title to the land and/or building is appropriately transferred to Paine College. The Vice President of Administrative and Fiscal Affairs will also coordinate with the Business Office to ensure the land or building is properly recorded in the Paine College' accounting records.

Acquisition of land, building, and leasehold improvements: All improvements made to Paine College owned or leased land and buildings are to be managed and/or coordinated by the Vice President of Administrative and Fiscal Affairs. The Vice President of Administrative and Fiscal Affairs Office will ensure that purchases and expenditures related to the repair, maintenance, or improvement of land and buildings are coded in accordance with the coding procedures included in this policy.

Acquisition of furniture, equipment, and computer software: Paine College budget administrators and Paine College department administrative support staff will ensure that purchases of and expenditures for furniture, equipment, and computer software are coded in accordance with the coding procedures in this policy. In the case of internally developed or implemented software, the responsible manager will coordinate with the Business Office to ensure that transactions are recorded and supporting records are maintained in accordance with generally accepted accounting principles.

If a vehicle is purchased, the Vice President of Administrative and Fiscal Affairs (or a designee) has the responsibility to ensure that title to the vehicle is properly transferred and registered in the College's name in accordance with applicable laws and regulations. The vehicle will be added to Paine College' list of fleet vehicles.

Acquisition of library resources: The Library Director will ensure that purchases of and expenditures for library resources are coded in accordance with the coding procedures in this policy.

Acquisition of collections, works of art, historical treasures, and other similar assets: The responsible Paine College officer or manager will coordinate with the Business Office to ensure that purchases of and expenditures for collections, additions to collections, works of art, historical treasures, or other similar assets are coded in such a way to ensure they are accounted for in accordance with generally accepted accounting principles.

3.63.13 *Coding Fixed (Capital) Asset Purchases and Expenditures*

Acquisitions of tangible or intangible personal property and real property are to be coded to the appropriate accounting system account code, to ensure accurate and complete financial reporting. The College must establish and maintain records under the terms governed by the contract or grant. Property records must be maintained inclusive of any and all property maintained or in the possession of subcontractors. The records must be kept in such condition that at any stage of the contract performance, the status of sponsored property can be readily obtained. The detail records must be maintained to allow easy identification of items associated with a contract. Questions about appropriate account codes to use should be directed to the Business Office.

3.63.14 *Inventory of Fixed (Capital) Assets*

Periodic Inventory

The Business Office will perform a full physical inventory of property at least every two (2) years. As required by this Policy, the Vice President of Administrative and Fiscal Affairs' Office will perform a full reconciliation between the physical inventory and accounting records.

During the years when a full physical inventory is not conducted, the Business Office will send each budget supervisors a listing of property recorded for that unit. The budget supervisor is responsible for verifying the accuracy of the list and returning a signed verification to the Business Office. Departments must inform the Business Office of any relocation of property within the department, transfer of property to another department or stolen property.

Final Inventories

Once a contract/grant has terminated, the sponsoring agency may require the College to conduct a final physical inventory of all federally titled property acquired under the contract as part of the contract closeout procedure.

3.63.15 *Disposition of Fixed (Capital) Assets*

Paine College Owned Property

Departments may not sell or dispose of equipment without the approval of the Business Office. Property no longer required by a department will be disposed by the Business Office in accordance with the following priorities:

1. Use by another department in lieu of a new purchase.
2. Trade-in as redemption for cash value on a new purchase.
3. Sale to a student, faculty, or staff member by way of a public auction.
4. Sale to the general public.
5. Donation to charitable organizations.
6. Scrapped as having no value.

When a Paine College owned or leased fixed (capital) asset is sold or otherwise disposed of (e.g. the asset has become obsolete, impaired, no longer has value, and/or is to be discarded), the responsible department manager will coordinate with Business Office to ensure that sales or other tax, if applicable, is collected, and the proceeds from the sale or disposition, including sales tax are deposited and recorded to ensure accurate and timely financial and tax reporting. The Business Office will also ensure that legal title to the fixed (capital) asset is appropriately transferred to the purchaser, as applicable.

If the asset sold or disposed of is 1) land, 2) a building, or 3) furniture, or equipment, whose cost at the time of acquisition was equal to or greater than \$500.00, or software whose cost at the time of acquisition was equal to or greater than \$500.00, the Business Office will make the accounting entries needed to remove the property and accumulated depreciation, if applicable, from Paine College' accounting records and record any gain or loss on the sale or disposition. The Business Office will also, if applicable, notify the appropriate government office and request that Paine College' name be removed from the property tax rolls as the owner of the property.

When a vehicle is sold, the Vice President of Administrative and Fiscal Affairs, or designee, has the responsibility to ensure that seller's reports and title and registration transfers are filed in accordance with applicable laws and regulations.

Sponsored or Federally Titled Property

When sponsored or federally titled property is no longer needed for the contract, it must be screened against the needs of other activities in the following priority: (1) other activities sponsored by the awarding agency which funded the original project, (2) other activities sponsored by other federal awarding agencies.

Any request for transfer or disposition of excess sponsored property must be submitted to the awarding agency for approval in accordance with the guidelines set forth by the federal awarding agency. If the equipment is sold, the requestor will reimburse the federal awarding agency a percentage of the sales proceeds based on its federal participation in the original project.

When the federal awarding agency exercises its right to take title, the equipment shall be governed by the guidelines established for federally owned equipment.

3.63.1.6 Reporting Theft or Loss of Fixed (Capital) Assets

When it is believed that furniture or equipment has been lost or stolen, it should be reported to the Paine College Safety and Security Department, the responsible department, and the Business Office immediately.

3.63.1.7 Responsibilities

All Purchases

Paine College Administrators, faculty, and staff shall comply with this policy to capitalize, acquire, code, depreciate, and dispose of tangible and intangible personal and real property. Additional responsibilities of Business Office staff, to be conducted in accordance with applicable laws and regulations, generally accepted accounting principles and this policy, include:

- a. Creating and maintaining the Paine College's fixed (capital) asset acquisition, capitalization, depreciation, and disposition records, including required financial and tax reporting.
- b. Conducting a periodic review of fixed (capital) asset expense accounts, including expense accounts for furniture, equipment, and computer acquisitions with a cost of less than \$500.00, to ensure that the transactions recorded in those accounts are materially correct.

- c. Conducting periodic reconciliation of fixed (capital) asset and accumulated depreciation balance sheet accounts.
- d. Preparing capitalization and depreciation accounting entries at least annually and in conjunction with the close of Paine College fiscal year.
- e. Preparation of fixed (capital) asset and depreciation analytical reviews, audit schedules, and financial statement and footnote disclosures.

Each College department is responsible for, and will be held accountable for, equipment as follows:

- a. Equipment which is affiliated with that department and is located in that department's space.
- b. The department in which the equipment is located is responsible for safeguarding such assets and for reporting inventory transactions to the department with which the equipment is affiliated.

Campus Police is responsible for completing documentation surrounding reported missing or stolen property. In addition, the Campus Police must ensure that the documentation, review and properly signed theft report is submitted timely to the Business Office.

3.6.3.2 Check Requisitions

All expenditures must be approved prior to the acquisition of goods and services.

Paine College is committed to paying vendors and reimbursing faculty, administrators and staff within a reasonable time frame.

1. Check requisitions are used for the following:
 - a. Purchases requiring pre-payment.
 - b. Payment to vendors.
 - c. Travel expense, advances, or reimbursements (see Travel Policy).
2. Original receipts, supporting documentation and a copy of the approved purchase order or travel request must be attached to all check requisitions.
3. The person initiating the request is responsible for securing the necessary approvals and general ledger accounts numbers.

No individuals may authorize or approve payment to themselves. An employee's supervisor must authorize such a request.

3.6.3.3 External Audits

An external auditor appointed by the Board of Trustees conducts an annual external audit of Paine College's financial statements annually. The external audit firm partner shall be required to meet privately with the members of the Financial and Budget Policy Committee of the Board of Trustees at least annually to discuss management.

3.6.3.1 Selection of External Audit Firm

The Vice President of Administrative and Fiscal Affairs shall be responsible for solicitation of bids for external audit services at least once every seven years. The bids shall then be reviewed with the Financial and Budget Policy Committee of the Board of Trustees, which shall decide which firm should be presented to the Board of Trustees for final approval and appointment.

3.6.3.4 Receipt of Funds

All faculty, staff, and student organizations which receive funds relating to revenues, services rendered, travel reimbursements, or donations made to Paine College are responsible for adhering to following policy governing financial transactions at Paine College:

1. **Deposit Requirements:** All funds held for deposit must be kept in a secure location at all times. All payments received by a Paine College employee or student organization are required to be deposited to the Business Office on a timely basis. All deposits to the Business Office must include a completed deposit slip. Departments may accept payments by cash, check or travelers check. Only departments or divisions given specific authority by the Business Office can accept credit cards.
2. **Bank Accounts:** Only the President and Vice President of Administrative and Fiscal Affairs may authorize bank accounts in Paine College name. All requests for bank accounts and other banking transactions must be directed to the Vice President of Administrative and Fiscal Affairs.
3. **Removal of Funds from Paine College:** No individual is authorized to remove money from the campus for safekeeping, or to use a cash fund to cash personal checks for themselves or others. Checks made payable to the College must be endorsed immediately by the Business Office and may not be assigned to any other party.
4. **Checks:** No checks are to be accepted which do not have imprinted on them the name and address of the account holder.

Evidence of non-compliance with these policies should be brought to the attention of the Vice President of Administrative and Fiscal Affairs. Non-compliance with these policies may be grounds for termination of employment.

Charges to students shall be collected by the Business Office through the student accounts. Funds should not be collected by other Paine College employees.

3.6.3.5 Revenue Recognition

The following guidelines are provided to assist in the determination of whether a transaction creates revenue for Paine College under Generally Accepted Accounting Principles. This policy applies to all transactions conducted in the ordinary course of business of Paine College, its faculty, staff and students.

3.6.3.5.1 Definition of Revenue

Paine College utilizes the definition of revenue from Paragraph 78 of the FASB Statement of Financial Accounting Concepts No. 6, “inflows or other enhancements of assets of an entity or settlements of its liabilities (or a combination of both) from delivering or producing goods,

rendering services, or other activities that constitute the entity's ongoing major or central operations.”

3.6.3.5.2 *Tuition and Fees*

Paine College recognizes revenue from tuition and fees when earned (i.e., when classes begin) rather than when paid. Tuition and fees are recorded in the terms for which they relate. Deposits and prepayments of tuition and fees are recorded as deferred until the start of the term for which they are intended. Tuition is recorded in the financial statements net of discounts for scholarships.

3.6.3.5.3 *Federal and Private Grants and Contracts*

Paine College recognizes revenue for research and other activities funded by the Federal Government and other entities as qualifying expenses for the research and other activities are incurred up to a ceiling of the amount awarded. Indirect costs associated with research or other activity are also recognized as the expenses for the activity are incurred.

3.6.3.5.4 *Contribution Revenue*

Paine College recognizes contribution revenue when gifts are received or when an unconditional promise to make a gift has been received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value as of the date of the gift. Amortization of the discount is recorded as additional contribution revenue and used in accordance with donor-imposed restrictions, if any, on the contributions.

Restrictions on gifts are recorded as either temporarily restricted (if the donor limits use to later periods of time or after specific dates, or to specific purposes) or permanently restricted (if the donor limits use with no expiration or ability to remove restrictions by performance).

3.6.3.5.5 *Investment Revenue Definition*

Paine College carries securities with readily determinable fair values and debt securities at fair market value. Only limited partnerships and other investments whose market value is not readily discernible are carried at the lower of cost or fair value. Paine College recognizes as unrealized gains (losses) the increases and decreases related to market changes. Paine College further records investment income as interest, dividends, rents, royalties, and similar payments when earned. Paine College records investment management fees as contra revenue, reducing the investment income.

Revenues generated by athletic department can be identified as restricted or unrestricted funds as approved by the President.

3.6.4 *Purchasing Policies*

3.6.4.1 *Purchasing Procurement*

Paine College uses a centralized purchasing system in the Office of Administrative and Fiscal Affairs. All requisitions should be initiated and signed by the immediate supervisor. After approval by the supervisor, the requisition is then sent to the Business Office for the approval of the Vice President of Administrative and Fiscal Affairs or the Comptroller. The College is not

responsible for any purchases that are made without a purchase order. Any person making purchases without a College purchase order will be responsible for paying for such goods. All purchases, except as indicated above, must be approved before the purchases are made and not afterwards. All requisitions must be submitted at least 72 hours in advance of the date the purchase order or check is requested.

3.6.4.1.1 Fund Sources

All funds deposited with the College, regardless of source, are College funds and must be handled in accordance with the College's Receipt of Funds policy. Although departments and divisions are allocated funds in the budgets for a given period, this allocation is only an authority to requisition, not to purchase.

3.6.4.1.2 Cancellation or Modification of Orders

Requests for cancellation or modification of purchase orders including an increase or decrease in the dollar amount of the order should be submitted to the Business Office in writing, stating the reason for the change and referring to the purchase order number and vendor's name and address. If a department or division cancels an order, it may have to pay a cancellation or restocking charge if required by the vendor.

3.6.4.1.3 Shipping: Damages/Shortages/Mistakes>Returns

Damage: In cases of damage of shipment, a written report shall be submitted immediately to the Business Office, including the following details: Purchase order number, date, vendor, and extent of damage.

Mistakes: Mistakes in shipping shall be reported promptly in writing to the Business Office referring to the purchase order number and vendor involved. Departments shall give sufficient detail concerning the mistake so that steps may be taken to correct the error with the vendor.

Returns: When a vendor has shipped items as specified on a purchase order, they have legally complied with their part of the contract and are under no obligation to accept for credit any of those items delivered as specified. Acceptance of a return by a vendor is by no means automatic, and a restocking charge may be incurred. This charge will be assessed to the requisitioning department or division.

Requests for permission to return supplies or equipment to the vendor for adjustment or credit must be cleared through the Business Office.

3.6.4.1.4 Supplier Selection and Quotations

3.6.4.1.4.1 Selection of Vendors

Vendors are selected for their capability to serve the needs of the College in the most economical and efficient manner possible. Past performance and cooperation are important factors. Vendors must comply with the Equal Opportunity Act since it is the policy of the College to promote the full realization of equal employment opportunity through an Affirmative Action program.

3.6.4.1.4.2 Sole/Single Source

A sole/single source purchase is one wherein an item that is needed can be purchased from a

sole/single source only. This situation makes it impossible to obtain competitive bids. The Business Office will require justification from the requisitioning department division or to justify why an item is sole/single sourced. Final responsibility in determining whether an item is sole/single sourced rests with the Business Office.

3.6.4.1.4.3 Supply Sources

Requisitioning departments or divisions are encouraged to suggest sources of supply for unusual items. Authority for the final selection of the vendor, however, shall be left to the Business Office. The decision will be made with the overall needs of the College in mind.

3.6.4.1.4.4 Vendor Qualification

The performance of vendors doing business with the College for the first time is carefully evaluated. In addition, references are checked, formal interviews conducted when possible and government bidders lists checked to make sure they are qualified vendors.

3.6.4.1.5 Requests for Bids or Quotations

The Business Office, in accordance with the below listed guidelines, solicits competitive quotations or bids. Requisitions requiring bids should include the specifications for the required items that are to be purchased. In the event the requisitioning department has obtained quotations this information should accompany the requisition.

Competitive quotations will be secured in accordance with the following guidelines:

\$1 – 2999: Quotations may be solicited

\$3000 – 5000: The Business Office will obtain at least two quotations or justify in writing why two quotations cannot be obtained.

\$5001 – up: The Business Office will obtain three competitive written quotations or justify in writing why three quotations cannot be obtained.

The requisitioning department or division must not use multiple requisitions to circumvent the bidding process.

3.6.4.1.5.1 Errors in Bids or Quotations

Vendors are responsible for the accuracy of their quoted prices. In the event of a discrepancy between unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn prior to the acceptance of the bid. After an order has been issued, no bid may be withdrawn or amended unless the Business Office considers the change to be in the best interest of the College.

3.6.4.1.5.2 Late Quotations

Late quotations must be approved by the Vice President of Fiscal Affairs.

3.6.4.1.5.3 The Confidentiality of Quotations

Price quotations are given to the College in confidence and shall not be revealed to any other vendor or unauthorized person.

3.6.4.1.6 *Demonstration or Sample Material*

College employees wishing to see samples or have equipment demonstrated shall contact the Business Office for coordination beforehand in all cases. Vendors are to provide their own insurance coverage for any material left at the College.

3.6.4.1.7 *Insurance*

Prior to the commencement of any work or services for the College, the vendor must submit to the Business Office evidence of appropriate insurance coverage.

3.6.4.1.8 *Service Contracts*

Certain items of equipment are covered by service contracts in order to assure continuing efficient operation. Forms required by service companies must be signed on behalf of the College by a Business Office representative and forwarded to the company with the purchase order.

3.6.4.2 *Gifts from Contractors/Vendors*

For Paine College officials to conduct business in an arm's length and responsible manner, it is essential that employees maintain independence from vendors, contractors and others doing business with the College. Accordingly, all employees and students shall strictly adhere to the College's Conflict of Interest Policy by avoiding any actual or potential conflicts between their personal interests and the interests of the institution. This policy applies to all faculty, staff, and student organizations.

3.7 Federal Work Study Policies

Please refer to Volume VII, Section 7.9 for information regarding the College's Federal Work Study Policies.