**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

Policy Title: **RECRUITMENT AND JOB POSTING**

| | |
|---|---|
| Policy Number: | EP 1.2 |
| Revision Date | 12/1/2014 |
| Approved By: | Rocco Iannarelli<br>Acting Senior Vice-President, Enterprised Shared Services |
| Executive Owner: | Barbara Coles<br>Director, Recruiting |
| Content Owner: | Barbara Coles<br>Director, Recruiting |

When applicable, the Content Owner partners with the attorney assigned to his/her department/workgroup to write and review the policy.

| NEW YORK POWER AUTHORITY | EP: | 1.9 |
|---|---|---|
| | REVISION: | 4 |
| EMPLOYEE POLICY | DATE: | 3/29/2012 |

**PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# TRANSFER OR RE-EMPLOYMENT IN PUBLIC SERVICE

## Employees Leaving Employment with the Authority

1.1 Employees of the Power Authority of the State of New York ("Authority") who leave the Authority, or within one year of termination of employment with the Authority, are employed with the State of New York, (Executive, Legislative, or Judicial branch), a civil division thereof, or another New York State public benefit corporation, may, if they so elect, transfer accruals and retain the anniversary date of their employment with the Authority for all purposes including employee eligibility for benefits in their new employment with the State of New York, a civil division thereof, or another New York State public benefit corporation consistent with agreements made between the Authority and state or municipal civil service commissions or other New York State public authorities.

1.2 "Civil division": - for the purpose of administering this policy a civil division shall be a city, county, town or village that participates in the New York State and Local Retirement Systems. A civil division shall not include a school district.

## New Employees

2.1 Without regard to their date of first employment with the Authority, employees who leave the employment of the State of New York (Executive, Legislative, or Judicial branch), a civil division thereof, or another New York State public benefit corporation and who are employed or rehired by the Authority within one year of termination, shall be entitled to transfer accruals and retain the anniversary date of their employment with the State of New York, a civil division thereof, or another New York State public benefit corporation as their anniversary date with this Authority for all purposes including the employees' eligibility for all benefits in their new employment with this Authority.

2.2 "Civil division" – see 1.2 above.

## Transition

3.1 Employees of the Authority who have prior employment that may qualify as Authority employment under this policy shall be given a reasonable period to make application for such an adjustment in their date of employment with the Authority and retrospective adjustment of benefits shall be made where applications are approved.

3.2 The terms of this policy shall not be implemented with respect to bargaining unit personnel in the absence of collective negotiations.

## Benefits in Retirement

4.1 In order to continue benefits in retirement, both of the following conditions must be met:

a) You must have 10 years of combined service with the Authority and New York State. At least five years of service must be with the Authority unless you are covered under this policy (refer to section 2.1), in which case, a minimum of three years of NYPA service is required. Employees with a Section 211 or 212 exemption must have 10 years of NYPA service; and

b) You terminate employment with the Authority and immediately collect a pension from the New York State and Local Retirement Systems.

Vice President, Human Resources

3/29/12
Date

**PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# SALARY ADMINISTRATION POLICY

1.1 This policy governs the administration of salary for all full-time, part-time and provisional exempt and non-exempt Authority employees, as defined in the Salaried Employees' Eligibility for Benefits policy (EP: 3.1).

1.2 This policy describes the New York Power Authority's competitive pay program and provides guidelines in which to recognize and reward different degrees of performance through salary changes within budget limits.

1.3 All types of actions described in this policy, including the effective date of the salary action, require the approval of the Business Unit Head, the Vice President, Human Resources, the SVP Enterprise Shared Services, and the President and CEO or his/her designee. All requests require a summary of the reason for selection, change in role and responsibilities, succession planning actions and/or relevant information justifying the action. Any action affecting the hiring or promotion of Vice Presidents or higher also requires notification to the Governance Committee.

1.4 In addition to section 1.3, any salary action varying from the guidelines of this policy is considered an exception and requires documentation, justification and majority approval from the Compensation Committee and the President and CEO. The justification must be a detailed explanation for the exception request (e.g., to bring the employee to the minimum of the grade range). Requests that are insufficient will be returned for further justification.

a) The Compensation Committee requires a minimum of three participants. It is made up of the Business Unit Heads that report directly to the President and CEO, excluding the Business Unit Head directly involved in the request and the Senior Vice President Enterprise Shared Services.

1.5 The Trustees and the Governance Committee will receive a quarterly report of all salary actions implemented in the prior quarter.

1.6 Under the Fair Labor Standards Act, the Authority pays exempt employees on a salary basis and does not intend to make any deductions from these salaries which are prohibited. Any employee who believes an improper deduction may have occurred should raise the issue and bring supporting documentation, if any, to the attention of the Payroll department as soon as practicable after the deduction occurs. Payroll will then work with the Human Resources Compensation group and should it be determined that an improper deduction in fact occurred, the employee will be reimbursed for that amount. Complaints may also be communicated via the Employee Concerns Line [1-877-TEL-NYPA]

## Annual Merit Increase

2.1 Annual Merit increases are intended to provide recognition and reward for performance within the parameters of the Authority's annual salary budget. However, neither an annual salary budget nor an annual Performance Plus assessment is a guarantee that a salary adjustment will occur.

2.2 An employee's Performance Plus rating summarizing his/her annual performance will be taken into consideration for Annual Merit purposes and ensures that an employee is considered for a salary adjustment.

2.3 Eligibility:

a) Only employees who receive a Performance Plus rating of Partially Achieved Expectations or better (see Performance Plus Instructions on the PowerNet for ratings definitions), are eligible for an Annual Merit increase.

b) No Annual Merit increase will be given to employees who earn a Performance Plus rating of Did Not Meet Expectations.

c) New employees hired within six months prior to the Annual Merit increase effective date will not be eligible for the increase.

2.4 Timing:

a) Annual Merit increases will generally be effective in the third quarter. In the case of employees on leaves of absence, the effective date of increases may be adjusted (see section 2.6).

2.5 General Guidelines:

a) Base salaries of employees who earn a Performance Plus rating of Achieved Expectations or Partially Achieved Expectations can reach the maximum of the grade range for their job but cannot exceed it. Should an employee's base salary reach the maximum of the grade range or beyond, recommendations for an exception must have appropriate approvals as specified in section 1.4. If the maximum of the grade range is exceeded by the recommended salary increase, then the portion in excess of the maximum will be granted in the form of a lump sum payment which does not become part of base pay and must be re-earned each year.

b) Base salaries of employees who earn a Performance Plus rating of Exceeds Expectations may exceed the maximum of the grade range by 4%. If the recommended salary increase exceeds 4% above maximum, then the portion in excess of the maximum will be granted in the form of a lump sum payment which does not become part of base pay and must be re-earned each year.

If an employee is under the minimum of the grade range for his/her job and has a performance plus rating of Achieved Expectations or better, an adjustment to minimum will be given prior to the Merit increase.

2.6 Approved Leaves of Absence:

a) Performance Assessments — Annual performance assessments should be based on performance in the previous assessment year, regardless of the length of time the employee was on approved leave.

b) Annual Salary Increase, if

1) leave is less than 3 months — If the Merit increase falls during an approved **paid leave** of less than three months, the Merit increase will be effective as of the common Merit Increase date. If on approved **leave with no pay** as of the common Merit Increase date, the Merit Increase will become effective on the day the employee returns to work or returns to paid status. The amount of the increase will not be affected by the leave.

2) leave is 3 months or longer - If the Merit Increase falls during an approved leave of three months or more, the Merit Increase will be effective on the date the employee returns to work, unless proscribed by any other policy, state or federal law. The amount of the increase will not be affected by the leave.

## Promotional Increases

3.1 A promotion is defined as the assignment of an employee to a job of one or more grades higher than the employee's current job and may be accompanied by an increase in salary.

3.2 Types of Promotions:

a) Competency Based: Competencies are essential knowledge, skills, and abilities required by the Authority and which equip an individual to perform a certain level of work. Competency-based promotions are permitted for employees for which specific

competency definitions have been developed and achieved.

b) Re-evaluated position: when there is a change in work or reorganization resulting in a job having expanded responsibilities and increased level of competency, a market analysis should be requested by the Business Unit Head and forwarded to the Human Resources Compensation Group in order to assess supporting a higher grade range. (see section 5, Re-evaluation of Job Content).

c) Organizational Promotion (backfill or new role): acknowledges that an employee has been assigned a different job, in order to fill an open or newly created position with expanded responsibilities at a grade higher than the employee's current position.

3.3 A promotion may include an increase in salary of up to 10%. This increase should place the employee's salary in the grade range of the new position. The new salary, however, is limited to a compa-ratio of 112% of the new range for individual contributor and supervisor categories For jobs classified as Manager/Director, VP or above, the promotional salary is limited to the midpoint (100% compa-ratio) of the range.

3.4 When a 10% maximum promotional increase does not bring the employee's salary to the minimum of the new grade range, the employee may receive an additional salary increase with approval of the Compensation Committee (see section 1.4)

## Market / Equity Adjustments

4.1 Upon the recommendation of the Human Resources Compensation group, an adjustment to base salary may be permitted to achieve internal and/or market equity.

4.2 Only employees who earn a Performance Plus rating of Achieved Expectations or better are eligible for a market adjustment.

## Re-evaluation of Job Content

5.1 Each Business Unit head, or their designee, is responsible for ensuring that salaried jobs in their organization have accurate and up-to-date descriptions. Substantive changes in the primary responsibilities, scope and/or minimum qualifications must be communicated to the Human Resources Compensation group. Based on the revised description, the Compensation group, with the input of management, reviews and evaluates the job against both the marketplace and internal comparable positions.

5.2 Recommendation for changes to any job based on the evaluation are coordinated with and approved by the respective Business Unit Head(s) for departments in which the job exists.

5.3 An evaluation may result in a change in grade. If a job is re-evaluated upward due to a significant change in job content, consideration may be given to granting a promotional increase as previously defined and outlined in Section 3.2 (b).

5.4 Employees whose positions are re-evaluated and downgraded and whose salaries are greater than 4% above the maximum of the new grade range may have their salaries reduced to 4% above the maximum of the new grade range.

## Lateral Transfer

6.1 A lateral transfer occurs when an employee moves from one job to another which has the same grade range.

6.2 Generally, additional compensation will not be granted in the case of lateral transfers.

6.3 Moves that are temporary or part of a development plan or program, or job changes that are part of a specific work project may be considered for additional compensation.

## Demotions

7.1 A demotion may occur as the result of inadequate employee performance, which leads to the employee being assigned to a new job that is one or more grades below the current grade.

7.2 Employees demoted as a result of inadequate performance and whose salaries are above the maximum of the new grade range may have their salaries reduced to no more than the maximum of the new grade range.

## First Line Supervisor Differential

8.1 To prevent inequities between bargaining unit employees, or equivalent jobs, and their supervisors, First Line Supervisors (FLS), jobs with the category of Supervisor, shall generally be paid a minimum five percent (5%) above the annualized **base rate** of pay of the highest paid supervised bargaining unit employee (or equivalent job). This differential applies only to those FLS who achieve an annual Performance Plus rating of Achieved Expectations or better, for their prior year's performance.

*Note:* **Base Rate** of pay is defined as the negotiated hourly rate for the job, excluding any other payments granted to an employee such as premiums and overtime.

## Timing of Salary Actions

9.1 The Human Resources Compensation group will accept requests to review competency based promotion, market or equity adjustments, and grade re-evaluations during the 8-month period of August through March, only.

9.2 Organizational promotion requests will be acted upon at any time during the year.

9.3 With the exception of the annual merit increase, at least six months must elapse between any salary actions, inclusive of date of hire.

## Sign-On & Retention

10.1 Special incentives for the purpose of attracting or retaining staff may be recommended as an exception with appropriate approvals as specified in 1.4.

## Incentive Pay

11.1 An incentive is a lump sum award paid in recognition of the extraordinary achievement of an individual or a group, on special projects or in unique situations that are critical to the Authority.

11.2 An incentive plan may be developed upon the recommendation of the Business Group Head accountable for the results, the Vice President, Human Resources, the Senior Vice President, Enterprise Shared Services and the President and CEO or his/her designee.

11.3 An incentive plan may be developed:

a) Before the start of a project, based on a pre-determined set of measures associated with the project goals and announced to those employees who are eligible, or

b) After exemplary completion of an extraordinary project that evolved during a given year.

11.4 Criteria for such an award must include extraordinary tangible benefits to the Authority such as reduced costs or increased revenue.

Rocco Ruman

Vice President, Human Resources

April 4, 2014

Date

| NEW YORK POWER AUTHORITY | EP: | 2.4 |
|---|---|---|
| | REVISION: | 11 |
| EMPLOYEE POLICY | DATE: | 06/17/2014 |

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# SALARIED NON-EXEMPT AND FACILITY-BASED EXEMPT OVERTIME

1.1 This policy provides for the payment of overtime to eligible Authority employees (see *Eligible Employees* below). It permits the Authority to:

a) comply with the Fair Labor Standards Act;

b) provide additional compensation to certain exempt positions for ensuring the safe and efficient generation and transmission of electricity during specified overtime events;

c) provide some relief for pay compression between bargaining unit employees and first line supervisors; and

d) manage overtime costs.

1.2 Eligible overtime is scheduled, authorized and approved time worked in excess of the normal workweek, under predetermined conditions related to specific Authority or facility requirements, priorities, special projects, or to maintain safe operating conditions.

1.3 Responsibilities:

a) A Business Unit Head, Regional or General Manager, or their designee will establish the event (Section 1.2) for which overtime will be paid, and will be accountable for the direction, authorization and administration of overtime as covered by this policy.

b) The Controller or designee will provide periodic reports of overtime paid including year-to-date totals. The Business Unit Head, Regional or General Manager, or their designee will reconcile these reports against authorizations required by this policy and promptly notify the Controller or designee in writing of any discrepancies that require correction.

c) The Business Unit Head is responsible for the prudent use of overtime within the parameters established by the approved O&M Budget.

1.4 Eligible Employees:

a) All salaried non-exempt employees are eligible for non-exempt overtime as required by the wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor

b) Facility-based salaried exempt employees are those employees whose work location of record in SAP is not White Plains or Albany. Headquarters salaried exempt employees are those whose work location of record in SAP is White Plains or Albany.

c) First Line Supervisors — salaried exempt employees with a job category of Supervisor at the facilities whose job is to supervise union employees or the equivalent at non-union facilities, may be eligible for exempt overtime compensation.

d) Salaried exempt individual contributor employees at the facilities in grades up through 09 (I/U/X) may be eligible for exempt overtime compensation. Salaried exempt individual contributor employees working in the Trading room on a 24/7 shift, salaried exempt individual contributor Fuel Buyer positions supporting the Traders, and salaried exempt individual contributor Transmission System Operators working at the Energy Control Center (ECC), may be eligible for exempt overtime compensation despite location or grade.

e) Headquarters salaried exempt employees, physically working at a facility as part of a specified temporary work project, and who are in grades 01 through 09 (I/U/X) may be eligible for exempt overtime compensation.

f) Salaried exempt employees in grades 10 (I/U) and above are not eligible for overtime compensation under any circumstances other than First Line Supervisors as noted in 1.4(c), and the Buyers, those in the Trading room, and the System Operators at the ECC, as noted in 1.4 (d).

## Non-Exempt Overtime

2.1 A non-exempt employee is one whose job duties do not meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

2.2 On those occasions when it is necessary for non-exempt employees to work in excess of their basic workweek [see Attendance and Flexible Hours policy (EP: 4.6)], all additional time worked must be directed and authorized in advance in accordance with Sections 1.2 and 1.3(a).

2.3 Notwithstanding the requirements of Section 2.2 above, under the Fair Labor Standards Act, all non-exempt employees who work in excess of their basic workweek must record and be paid for all time worked.

2.4 The rate of pay for non-exempt employees is as follows:

a) Straight time for up to 40 hours in a workweek.

b) 1 ½ times the straight time equivalent hourly rate of the annualized salary for those hours worked beyond 40 hours in a workweek. Payment for time worked on a scheduled holiday will be paid at 1 ½ times the equivalent hourly rate.

2.5 Generally, time spent traveling on company business will not be counted as hours worked for overtime computation purposes.

2.6 For non-exempt employees, work time spent as a required or assigned participant in any training program, lecture, meeting or workshop, will be paid at the applicable rate of pay (Section 2.4) for that time period.

Additional detail on non-exempt overtime reporting is available on the PowerNet under Human Resources - Compensation

## Exempt Overtime

3.1 An exempt employee is one whose job duties meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

3.2 Time worked in excess of the normal workweek at an employee's discretion will not be compensated. For eligible salaried exempt employees, all paid overtime must be approved in advance in accordance with Sections 1.2 and 1.3(a).

a) For exempt employees on 12 hour shifts, overtime is any time outside the regularly scheduled shift, regardless of the number of hours in the shift. If the scheduled rotation results in greater than 40 hours per week over the course of the year (e.g. 3 day on/3 day off continuous rotation), then the additional hours over the regular 2080 will be built in overtime.

b) Trading hours with another employee should result in an equal number of hours and the new hours become part of the regular schedule. For schedule rotations that include an "E-week" of four 8 hour shifts, the employee's schedule can be modified to backfill for shifts as needed, and all hours greater than 32 for the week would be paid as overtime.

3.3 For salaried exempt employees in, or temporarily acting in, First Line Supervisor positions, approved overtime will be paid at 1 ½ times the hourly equivalent of the exempt employee's salary for hours of ***actual supervision*** of NYPA bargaining unit employees, or the equivalent. Similarly, Transmission System Operators and Day Ahead Traders approved overtime will be paid at 1 ½ times the hourly equivalent of their exempt salary for hours performing their primary duty. Any other overtime hours, if approved, will be paid at a straight time rate.

3.4 Eligible individual contributor employees may be paid for all hours worked, in accordance with Section 1.2. Approved overtime will be paid at the straight time hourly equivalent of the exempt employee's salary.

3.5 Exempt employees who are preapproved to work during a scheduled holiday will be paid at 1 ½ times the hourly rate for First Line Supervisors, and 1 times the hourly rate for non-supervisory employees for actual hours worked in addition to their normal straight time pay for the holiday.

3.6 Eligible employees temporarily assigned to work at a facility will assume the basic workweek of the facility and their rate of pay for overtime purposes will be determined on that basis.

## Approval and Time Records

4.1 For eligible salaried exempt employees, an Overtime Approval form must be completed stating the employee's name, period of time for which the overtime has been requested and approved, a brief description of the task, and the employee's basic workweek hours . These must be reviewed and approved (signed) by a Business Unit Head and/or Regional or General Manager, or designee, as appropriate. These records are retained by the applicable department or facility.

4.2 When a salaried exempt employee is temporarily assigned to an operating facility the time record should be approved by either the Business Unit Head or Regional or General Manager, or designee, as appropriate.

4.3 Payment for authorized overtime under the guidelines of this policy, where practicable, will be charged to the operating budget where the work is performed. The approved time report must clearly indicate the appropriate facility program code number to charge.

4.4 Payment to a salaried exempt employee for overtime that has not been specifically directed or authorized by those delegated the responsibility by this policy, will not be permitted under any circumstances. Issues with unauthorized non-exempt overtime will be addressed through the performance management process. [See Section 2 regarding treatment of non-exempt employees.]

4.5 This policy supersedes all prior policies and procedures regarding overtime for exempt and non-exempt personnel.

Vice President, Human Resources

6/18/14

Date

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# SALARIED NON-EXEMPT AND FACILITY-BASED EXEMPT OVERTIME

1.1 This policy provides for the payment of overtime to eligible Authority employees (see *Eligible Employees* below). It permits the Authority to:

a) comply with the Fair Labor Standards Act;

b) provide additional compensation to certain exempt positions for ensuring the safe and efficient generation and transmission of electricity during specified overtime events;

c) provide some relief for pay compression between bargaining unit employees and first line supervisors; and

d) manage overtime costs.

1.2 Eligible overtime is scheduled, authorized and approved time worked in excess of the normal workweek, under predetermined conditions related to specific Authority or facility requirements, priorities, special projects, or to maintain safe operating conditions.

1.3 Responsibilities:

a) A Business Unit Head, Regional or General Manager, or their designee will establish the event (Section 1.2) for which overtime will be paid, and will be accountable for the direction, authorization and administration of overtime as covered by this policy.

b) The Controller or designee will provide periodic reports of overtime paid including year-to-date totals. The Business Unit Head, Regional or General Manager, or their designee will reconcile these reports against authorizations required by this policy and promptly notify the Controller or designee in writing of any discrepancies that require correction.

c) The Business Unit Head is responsible for the prudent use of overtime within the parameters established by the approved O&M Budget.

1.4 Eligible Employees:

a) All salaried non-exempt employees are eligible for non-exempt overtime as required by the wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor

b) Facility-based salaried exempt employees are those employees whose work location of record in SAP is not White Plains or Albany. Headquarters salaried exempt employees are those whose work location of record in SAP is White Plains or Albany.

c) First Line Supervisors — salaried exempt employees with a job category of Supervisor at the facilities whose job is to supervise union employees or the equivalent at non-union facilities, may be eligible for exempt overtime compensation.

d) Salaried exempt individual contributor employees at the facilities in grades up through 09 (I/U/X) may be eligible for exempt overtime compensation. Salaried exempt individual contributor employees working in the Trading room on a 24/7 shift, ~~and~~ salaried exempt individual contributor Fuel Buyer positions supporting the Traders, and salaried exempt individual contributor Transmission System Operators working at the Energy Control Center (ECC), may be eligible for exempt overtime compensation despite location or grade.

e) Headquarters salaried exempt employees, physically working at a facility as part of a specified temporary work project, and who are in grades 01 through 09 (I/U/X) may be eligible for exempt overtime compensation.

f) ~~f)~~ Salaried exempt employees in grades 10 (I/U~~/X~~) and above are not eligible for overtime compensation under any circumstances other than First Line Supervisors as noted in 1.4(c), and the Buyers, ~~and~~ those in the Trading room, and the System Operators at the ECC, as noted in 1.4 (d).

## Non-Exempt Overtime

2.1 A non-exempt employee is one whose job duties do not meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

2.2 On those occasions when it is necessary for non-exempt employees to work in excess of their basic workweek [see Attendance and Flexible Hours policy (EP: 4.6)], all additional time worked must be directed and authorized in advance in accordance with Sections 1.2 and 1.3(a).

2.3 Notwithstanding the requirements of Section 2.2 above, under the Fair Labor Standards Act, all non-exempt employees who work in excess of their basic workweek must record and be paid for all time worked.

2.4 The rate of pay for non-exempt employees is as follows:

a) Straight time for up to 40 hours in a workweek.

b) 1 ½ times the straight time equivalent hourly rate of the annualized salary for those hours worked beyond 40 hours in a workweek. Payment for time worked on a scheduled holiday will be paid at 1 ½ times the equivalent hourly rate.

2.5 Generally, time spent traveling on company business will not be counted as hours worked for overtime computation purposes.

2.6 For non-exempt employees, work time spent as a required or assigned participant in any training program, lecture, meeting or workshop, will be paid at the applicable rate of pay (Section 2.4) for that time period.

Additional detail on non-exempt overtime reporting is available on the PowerNet under Human Resources - Compensation

## Exempt Overtime

3.1 An exempt employee is one whose job duties meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

3.2 Time worked in excess of the normal workweek at an employee's discretion will not be compensated. For eligible salaried exempt employees, all paid overtime must be approved in advance in accordance with Sections 1.2 and 1.3(a).

a) For exempt employees on 12 hour shifts, overtime is any time outside the regularly scheduled shift, regardless of the number of hours in the shift. If the scheduled rotation results in greater than 40 hours per week over the course of the year (e.g. 3 day on/3 day off continuous rotation), then the additional hours over the regular 2080 will be built in overtime.

b) Trading hours with another employee should result in an equal number of hours and the new hours become part of the regular schedule. For schedule rotations that include an “E-week” of four 8 hour shifts, the employee’s schedule can be modified to backfill for shifts as needed, and all hours greater than 32 for the week would be paid as overtime.

3.3 For salaried exempt employees in, or temporarily acting in, First Line Supervisor positions, approved overtime will be paid at 1 ½ times the hourly equivalent of the exempt employee's salary for hours of ***actual supervision*** of NYPA bargaining unit employees, or the equivalent. Similarly, Transmission System Operators and Day Ahead Traders approved overtime will be paid at 1 ½ times the hourly equivalent of their exempt salary for hours performing their primary duty. Any other overtime hours, if approved, will be paid at a straight time rate.

3.4 Eligible individual contributor employees may be paid for all hours worked, in accordance with Section 1.2. Approved overtime will be paid at the straight time hourly equivalent of the exempt employee's salary.

3.5 Exempt employees who are preapproved to work during a scheduled holiday will be paid at 1 ½ times the hourly rate for First Line Supervisors, and 1 times the hourly rate for non-supervisory employees for actual hours worked in addition to their normal straight time pay for the holiday.

3.6 Eligible employees temporarily assigned to work at a facility will assume the basic workweek of the facility and their rate of pay for overtime purposes will be determined on that basis.

## Approval and Time Records

4.1 For eligible salaried exempt employees, an Overtime Approval form must be completed stating the employee's name, period of time for which the overtime has been requested and approved, a brief description of the task, and the employee's basic workweek hours . These must be reviewed and approved (signed) by a Business Unit Head and/or Regional or General Manager, or designee, as appropriate. These records are retained by the applicable department or facility.

4.2 When a salaried exempt employee is temporarily assigned to an operating facility the time record should be approved by either the Business Unit Head or Regional or General Manager, or designee, as appropriate.

4.3 Payment for authorized overtime under the guidelines of this policy, where practicable, will be charged to the operating budget where the work is performed. The approved time report must clearly indicate the appropriate facility program code number to charge.

4.4 Payment to a salaried exempt employee for overtime that has not been specifically directed or authorized by those delegated the responsibility by this policy, will not be permitted under any circumstances. Issues with unauthorized non-exempt overtime will be addressed through the performance management process. [See Section 2 regarding treatment of non-exempt employees.]

4.5 This policy supersedes all prior policies and procedures regarding overtime for exempt and non-exempt personnel.

_____
Vice President, Human Resources

_____
Date

| NEW YORK POWER AUTHORITY | EP: | 3.1 |
|---|---|---|
| | REVISION: | 7 |
| EMPLOYEE POLICY | DATE: | 3/29/2012 |

**PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# SALARIED EMPLOYEE CATEGORIES AND ELIGIBILITY FOR BENEFITS

1.1 This policy defines the various categories of salaried Authority employees, and the benefits available to each category. The category of an employee will determine the applicable benefits.

## Definitions

2.1 A salaried Authority employee, whose status is full-time or part-time, transitional, provisional, temporary, or intern, is classified as either an exempt or non-exempt salaried employee depending on the job he/she performs or the position he/she fills. A cooperative employee is classified as non-exempt.

a) Full-time Authority Employee – An employee who works at least 37½ or 40 hours per week (as determined by Business Unit or Department), if assigned to the Albany or White Plains Office, or 40 hours per week, if assigned to an operating facility.

b) Transitional Employee – A full-time Authority employee with a written development plan designed to prepare that employee to fill an anticipated vacancy in another Authority position within a designated time-frame.

c) Part-time Authority Employee – An employee who has worked full-time for a minimum of one year, and whose status has changed from full-time to part-time without a break in service (employment with the Authority has not been terminated); and who works a minimum of 20 hours per week but less than 37½ or 40 hours (whatever is applicable) if assigned to the Albany or White Plains Office, or at least 20 but less than 40 hours if assigned to an operating facility.

d) Provisional Employee – Employed on a full-time basis for a specific project or assignment for a period that is expected to last at least one year but not more than three years, and who is paid directly by the Authority.

e) Temporary Employees – Employed for a period of not more than one year (from date of hire) **unless approval to extend employment for an additional period is received from headquarters Human Resources Department Head and the Budget Department.**

1) Full-time Temporary Employee – employed on a full-time basis for a specific position or assignment, and who is paid directly by the Authority.

2) Part-time Temporary Employee – employed on a part-time basis for a specific position or assignment, and who is paid directly by the Authority.
3) Temporary Intern – employed on a full-time or part-time basis for a specific position or assignment, not to exceed six months in a given calendar year, and who is paid by the Authority.
4) Cooperative – ("Co-op") – employed on a full-time basis while enrolled full-time at an accredited college or university in a work/study or cooperative education curriculum and who receives credits towards his/her course of study. Cooperative employees may be paid or unpaid by the Authority.
5) Developmental Intern – employed on a full-time or part-time basis while enrolled in an accredited college or university in a curriculum related to the temporary assignment at the Authority. Additional guidelines apply to Developmental Interns under the Human Resources Developmental Intern Program.

## Benefits

3.1 Full-time Authority Employees or Transitional Employees (as defined in 2.1 a and b) are eligible to receive the Authority benefits as listed in the FlexAbility Guidebook and Benefits Handbook (see NYPA intranet page for this information).

3.2 Part-time Authority Employees (as defined in 2.1 c) are eligible to receive Authority benefits with the following qualifications:

a) Retirement System - New York State and Local Retirement System service credit for part-time Authority employees is pro-rated based on the number of hours worked per week.

b) Educational Assistance Program - The Educational Assistance Program benefit is pro-rated based on the number of hours worked per week.

c) Vacation and Sick Leave - Vacation and sick leave credits are based on the number of hours worked per week.

d) Holidays - Part-time Authority employees who work less than a full day (as applicable to their respective job location) are eligible for compensation for holidays based on the number of hours worked per day. However, if an employee works less than a full week, and a holiday falls on a day an employee is not scheduled to work, he/she will not be paid for that holiday.

e) Flex Credits – Flex Credits are based on a reduced flat amount.

f) Insurance - Life insurance and long-term disability are adjusted based on the employee's pro-rated pay.

3.3 Provisional Employees (as defined in 2.1 (d) are eligible for some Authority benefits, as follows:

a) Flex Credits based on a reduced flat amount
b) Mandatory participation in the New York State and Local Retirement System
c) Vacation time will be credited as stated in the Vacation Policy (EP 3.2)
d) Sick leave will be accrued as stated in the Sick Leave Policy (EP 3.9)

A provisional employee does not receive the following Authority benefits:

a) Life Insurance
b) Long-Term Disability
c) Educational Assistance
d) Payment for holidays that fall on a day the employee is not scheduled to work (refer to 3.2 (d) for more details about holiday pay)

3.4 Temporary Employees (this includes Full-time and Part-time Temporary Employees, Co-ops and all Interns) are not eligible to receive Authority benefits with the following exceptions:

a) Participation in the New York State and Local Retirement System is optional for a temporary part-time employee or for a full-time temporary employee whose period of employment is less than one year. Membership in the New York State and Local Retirement System is mandatory for a full-time temporary employee whose employment exceeds one year (prior approval must be obtained from headquarters HR and the Budget Department).

b) Temporary Employees are not paid for holidays unless they work on a holiday.

c) Any requests to hire a NYPA retiree (including NYPA retirees who have suspended their pensions) into temporary or provisional positions must be approved by the President & Chief Executive Officer. The request for approval must contain documentation of the need to continue services from that individual.

d) New York Power Authority retired employees who return to Authority employment and have suspended their New York State Retirement System pension because they have exceeded the annual earnings limitation as specified under Section 212 of the New York Retirement and Social Security Law shall retain their Authority-provided retiree benefits for a period of up to six months.

3.5 For more detailed information about the applicable employee benefits as listed above, please refer to the FlexAbility Guidebook and Benefits Handbook.

Vice President, Human Resources

3/29/12
Date

| NEW YORK POWER AUTHORITY | EP: | 3.2 |
|---|---|---|
| | REVISION: | 11 |
| EMPLOYEE POLICY | DATE: | 03/29/2012 |

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# VACATION

1.1 Because NYPA recognizes the importance of vacation time in providing the opportunity for rest, recreation, and personal activities, the Authority grants annual paid vacations to its full-time, part-time, and provisional salaried employees (see EP 3.1, Salaried Employee Categories and Eligibility for Benefits Policy, for employee category definitions).

## Eligibility for Vacation

2.1 Full-time salaried employees are credited with vacation days as follows:

a) Employees are credited with 20 vacation days on January 1 of each year.

b) In an employee's first year of Authority employment, vacation days are credited on a pro-rated basis (rounded up to the nearest half day), based on the employee's date of employment (1/12th of 20 vacation days, or 1 2/3 days for each month of service). For example, if employment began in April, the employee receives 15 vacation days for the year. If employment began in December, the employee receives two vacation days.

c) Employees who have 11 or more years of eligible NYPA service will be credited with an additional ½ vacation day on January 1 immediately after they attain 11 years of eligible service. (See EP 1.9, Transfer or Re-Employment in Public Service, for transferred time eligibility criteria.) For each succeeding year of service, another ½ day will be credited on the following January 1st of each year until a maximum of 25 days per year is credited upon the January 1st after reaching 20 years of service.

d) Employees who are on a medical leave and receiving full pay will receive full vacation credits on January 1. Employees on sick leave at half-pay or a leave of absence without pay or long term disability on January 1, will not receive vacation days until they return to work, at which point the days will be credited on a pro-rated basis for the full months worked during the year. Employees who go out on a medical leave or a leave of absence without pay after receiving their vacation days on January 1, and remain employees, will keep the vacation days that were granted on January 1.

3.2 Vacation days for part-time salaried Authority employees are credited on a pro-rated basis based on the assigned number of hours worked per week. If part-time employees become full-time during the year, their vacation days for the year will be adjusted on a pro-rated basis.

3.3 Provisional salaried employees, employed on January 1, are credited with 10 vacation days per year for their first two full years of employment, and 15 vacation days in their third year. In the first calendar year of provisional employment, vacation will be pro-rated for each month of service.

## Vacation Usage

4.1 New employees may use vacation time immediately with the approval of their supervisor (see Section 6.1 (d).*

4.2 Employees may use vacation days in full or half-day increments. However, supervisors may allow employees to offset partial vacation days with flexible scheduling, allowing them to make up time by working extra hours on other days. Supervisors may also grant very limited time off without using vacation time if the absence is so brief that it does not affect getting assigned work completed.

4.3 Excessive requests for time off, or taking vacation time without prior approval, should be handled by supervisors as performance problems in accordance with EP 4.2, Performance Improvement Policy.

4.4 Once employees have submitted their resignation, vacation usage is subject to their supervisor's approval. However, employees must physically be at work on their last day of employment.

*(Some Business Units, Sites or Departments may require the vacation request in writing.)

## Vacation Carryover

5.1 Regardless of how many vacation days employees are credited with at the beginning of the year, no more than 40 vacation days may be carried over from year to year. For example, on December 31 an employee has the maximum vacation accumulation (40 days) and is credited with an additional 20 days on January 1, the employee's total balance would be 60 days on January 1. If by December 31 of that year the employee still has more than 40 days of accumulated vacation time, the vacation balance will be reduced to 40 days. However, due to extenuating circumstances, individual exceptions to this limitation on carryover of vacation days may be approved by the respective Business Group and Business Unit/Department Heads with concurrence from the Human Resources Department Head or their designee. Any such request must be forwarded to the Human Resources Department Head no later than January 10th of the year in which the vacation accumulation exceeds the 40-day maximum.

## Pay in Lieu of Vacation

6.1 Payment in lieu of accumulated vacation, not exceeding a maximum of 40 days, may be made for employees who have completed at least six months of service under the following conditions:

a) When employees resign, provided they give the Authority at least two weeks' written notice.

b) When employees' services are terminated by the Authority.

c) When employees resign, are terminated or retire, they will receive payment for the current year's accumulated vacation on a pro-rated basis ($1/12^{th}$ of yearly vacation days for each month of service). This will be added to any days that were carried over from the prior year, up to a maximum vacation payment of 40 days. If employees have already used more than the equivalent of $1/12^{th}$ of their yearly vacation days for each month of service, payments for those days must be repaid to the Authority (to the extent possible, payment will be withheld from the employee's final paycheck).

d) When employees resign or are terminated prior to six months of service, they are not eligible for payment of vacation days, and payment for any vacation time taken within the first six months of employment must be repaid to the Authority (to the extent possible, payment will be withheld from the employee's final paycheck).

e) In the event of death, payment for unused vacation will be made to the beneficiary as named in the employee's group life insurance policy.

## Vacation Buy-Back Program

7.1 If a vacation buy-back is offered and announced by Human Resources, employees will be advised of the amount of vacation they are allowed to "buy-back" at that time.

7.2 When the announcement is made by Human Resources, request forms must be sent to Payroll with the specified deadline dates. Requests received after the announcement deadline date will not be honored or processed.

7.3 The vacation "buy-back" check will be issued separately from the regular bi-weekly paychecks. In addition to taxes, Employees' Savings Plan (401(k) plan) and Deferred Compensation Plan (457 plan) deductions, if applicable, will be withheld from the check. Employees' Savings Plan or Retirement System loan repayments will not be deducted from the check.

The vacation "buy-back" payment does not constitute salary as defined by the Retirement and Social Security Law. Therefore, Tier 3 or Tier 4 contributions, if applicable, will not be deducted from the vacation buy-back check, nor will the buy-back be reported to the Retirement System as wages. Therefore, the value of the "buy-back" will not be included in the calculation of an employee's Final Average Salary.

Vice President, Human Resources

3/29/12
Date

| NEW YORK POWER AUTHORITY | EP: | 3.3 |
|---|---|---|
| | REVISION: | 13 |
| EMPLOYEE POLICY | DATE: | 1/10/2014 |

PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

# FAMILY & MEDICAL LEAVE ACT (FMLA)

1.1 This policy applies to all employees at all NYPA sites and offices and provides guidelines for qualifying leaves under the Family and Medical Leave Act ("FMLA"). The Notice to Employees of Rights under the FMLA (WHD Publication 1420) ("Notice") is fully incorporated into this policy. The policies and guidelines stated in this FMLA policy shall be subject to such other terms and conditions as are provided in the FMLA and its regulations.

## ELIGIBILITY FOR FAMILY MEDICAL LEAVE ACT ("FMLA")

2.1 To be eligible for FMLA leave, an employee must have been employed with the Authority for at least 12 months and have worked at least 1,250 hours during the previous 12 months.

2.2 Type of Leaves Covered Under the FMLA:

1) Employee Medical Leave ("EML") (see Section 4) - for an employee's "serious health condition" that makes the employee unable to perform the functions of his or her position, including "serious health conditions" also eligible for workers' compensation;

2) Family Medical Leave ("FML") (see Section 4) - for the care of an employee's spouse, child, or parent (not parent-in-law) who has a "serious health condition";

3) Newborn Leave ("NL") (see Section 5) - for the care of a healthy newborn child;

4) Adoption Leave ("AL") (see Section 5) - for the care of a newly adopted or newly placed foster care child;

5) Military Family Leave ("MFL") (see Section 6) - for spouse, child, parent or next of kin of a covered servicemember to care for that servicemember; and

6) Qualifying Exigency Military Family Leave ("QEL") (see Section 7) - to take care of certain qualifying exigencies arising when a spouse, parent, or child has been called to, or is on, active duty in the National Guard or Reserves.

2.3 Eligible employees may receive up to a total of 12 weeks of FMLA leave on a rolling 12 month period starting with the first day that an employee commences any approved FMLA leave. However, Military Family Leave qualifies eligible employees to receive up to a combined total (with any other FMLA leave) of 26 weeks in a single rolling 12 month period.

## NOTIFICATION/CERTIFICATION

3.1 When the need for FMLA leave is foreseeable, an employee should notify his/her supervisor and Human Resources at least 30 days in advance of the start date of the intended leave, or as soon as it is foreseeable. When the approximate timing of the need for leave is not foreseeable, an employee must provide notice to his/her supervisor and Human Resources as soon as practicable under the facts and circumstances of the particular case. Absent unusual circumstances, an employee will be expected to comply with his/her site/department's normal procedures for requesting leave and calling in absences. Failure to follow such procedures may result in a delay or denial of FMLA protection.

3.2 FMLA leaves can only be approved by the Vice President Human Resources, or designee(s), at the headquarters office, or the Facility Manager of Human Resources, or designee(s), at the sites. In situations when there is no Facility Manager of Human Resources at a site, FMLA leaves will be approved by the Vice President Human Resources, or designee(s). Once approved, FMLA leave is applied retroactively to the first day of absence.

3.3 The applicable fully completed Certification of Health Care Provider form or Certification of Serious Injury or Illness of Covered Servicemember ("Certifications"), signed by a health care provider, is required for all types of FMLA leave other than Qualifying Exigency Military Family Leave, which has its own separate form and requirements. Newborn leave may require documentation (see Section 5.1).

3.4 It is the employee's responsibility to see that the applicable Certification is completed, and returned to the Authority as soon as possible after the leave is requested, but no later than 15 calendar days from the date that the employee receives the Certification form from Human Resources.

3.5 If the Certification is incomplete or insufficient, the Authority will notify the employee and provide him/her up to seven calendar days to remedy any deficiencies. After this opportunity to remedy deficiencies has passed, a health care provider, human resources professional, leave administrator, or management official may contact the health care provider for purposes of limited clarification or authentication of the Certification. Under no circumstances may the employee's direct supervisor contact the employee's health care provider. In addition, in those situations where NYPA seeks to speak to the health care provider directly to obtain or discuss medical information related to the Certification, the employee may need to provide his/her doctor a HIPAA authorization allowing NYPA to do so.

3.6 The employee's request for FMLA leave may be denied in the event that an employee fails to: a) provide a Certification, b) timely remedy deficiencies in a Certification, or c) to provide a HIPAA authorization when requested as necessary for his/her health care provider to provide medical information directly to the Authority.

3.7 Employees attempting to obtain, or obtaining, FMLA leave by fraudulent means, shall be denied the restoration of their job or any other job at the Authority and utilization of paid time for time out of work.

3.8 Recertification of the need for FMLA leave may be required at various intervals, but generally not more than every 30 days, unless the Certification indicates that the minimum duration of the condition is more than 30 days, there is a change in circumstances or return to work date, an extension of leave is requested, or other circumstances cast doubt on the continuing validity of the leave.

## EMPLOYEE MEDICAL LEAVE ("EML") AND FAMILY MEDICAL LEAVE ("FML")

4.1 When an employee has been absent from work for five (5) consecutive or closely occurring intermittent business days due to a "serious health condition," or when it appears that an employee will not be returning to work for a lengthy or undetermined amount of time due to a "serious health condition," he/she may be eligible for an Employee Medical Leave ("EML") under the FMLA.

4.2 If more than five (5) business days (consecutive or intermittent) are needed to care for the "serious health condition" of a spouse, child, or parent (not parent-in-law), an employee may be eligible for Family Medical Leave ("FML") under the FMLA.

4.3 When the absences exceed this five day period for a "serious health condition," the employee should provide notification to Human Resources, at which point the FMLA process will be initiated for eligible employees.

4.4 EML and FML may be taken on a consecutive, intermittent or reduced work schedule basis as provided by the health care provider on the Certification.

4.5 FMLA leave on an intermittent basis is leave which can be taken in fifteen (15) minute increments, on a non-regular basis, because of a single qualifying reason. FMLA leave on a reduced schedule is leave which reduces the number of working hours in a basic work week or workday for a period of time. If an employee needs leave intermittently or on a reduced leave schedule for planned medical treatment, then the employee must make a reasonable effort to schedule the treatment so as not to disrupt unduly the Authority's operations.

4.6 Employees who qualify for EML and FML must first utilize all accrued sick time. Employees may then request and utilize any approved accrued vacation or accrued floating holidays (see Sections 10.6 and 10.8 below). Vacation time may only be used prior to sick time for salaried employees EML's for service credit purposes related to sick leave at half-pay (see Sick Leave Policy EP: 3.9). In all cases, qualifying time absent, whether paid or not, will be applied toward the maximum 12-week FMLA time period. Use of vacation time does not alter the status of the leave as FMLA leave, nor does it extend any Authority provided job security periods. (For EMLs related to Workers Compensation also see Sections 9.1-9.3).

4.7 Once accrued sick time is exhausted (and where vacation or floating holiday time is not being used, or has been exhausted), eligible salaried (non-bargaining unit) employees on EML will be placed on sick leave at half-pay (see Sick Leave Policy EP: 3.9), or on no-pay status if not eligible. In certain circumstances, salaried employees may also be eligible to receive donated vacation leave (see Attachments 1 and 2). Sick leave at half-pay is not available for any other type of FMLA Leave. If an employee on FML has no sick or vacation credits, or elects not to apply vacation credits, non-worked hours will be unpaid.

4.8 After three consecutive months of EML, and after all accrued sick leave and sick leave at half pay has been exhausted, a salaried employee may be eligible for benefit payments under the Long-Term Disability ("LTD") benefits. (See Sick Leave Policy EP: 3.9). Employees covered under a Collective Bargaining Agreement ("CBA") may be entitled to short and/or long term disability benefits. Such employees should contact their Human Resources Facility Manager and refer to their applicable Collective Bargaining Agreement and Benefit book for information on their benefits.

4.9 Employees returning to work from an EML must provide Human Resources with written medical documentation verifying their ability to return to work and fitness for duty. This should be provided at the earliest practicable time **before** returning to work. An employee will not be allowed back to work without sufficient written medical documentation.

## NEWBORN ("NL")/ADOPTION ("AL") LEAVE

5.1 An employee may take a Newborn Leave ("NL") to care for a healthy newborn under the FMLA within one year after birth (i.e., bonding). Any time taken to recover from child birth, to assist a mother recovering from child birth, or to care for a newborn with a "serious health condition" should be taken as Employee Medical Leave or Family Medical Leave respectively.

5.2 An employee may take an Adoption Leave ("AL") in connection with travel for and placement of a child for adoption or foster care within one year of initial placement in the home, or adoption, whichever comes first. Documentation from an agency or attorney verifying such placement of a child must be submitted to Human Resources within 15 business days or as soon as practicable.

5.3 Newborn and Adoption Leave may only be taken as consecutive leave and will be without pay unless the employee chooses, and receives approval, to use accrued vacation time. In all cases, time absent, whether paid or not, will be applied toward the maximum yearly 12-week FMLA period.

5.4 If both parents of a healthy newborn or a newly placed foster or adopted child work for the Authority, only one parent is entitled to these types of FMLA leave for each qualifying occurrence. However, both parents will be allowed leave for travel necessary for placement of a child for adoption or foster care.

5.5 In all cases, time absent, whether paid or not, will be applied toward the applicable 12-week FMLA time period.

## MILITARY FAMILY LEAVE ("MFL")

6.1 Military Family Leave ("MFL") provides eligible employees unpaid leave to care for a covered family member who has incurred a serious injury or illness in the line of duty as a covered servicemember while on covered active duty in the Armed Forces.

6.2 A covered family member is a spouse, son, daughter, parent or next of kin. A covered servicemember is a person either in the military or a veteran for up to five years after he or she leaves military service, even if the injury did not manifest itself until the servicemember became a veteran.

6.3 An employee who is a covered family member may take up to 26 weeks of leave during a single 12-month period to care for the covered servicemember. This 26-week period is the maximum amount of leave that may be taken in combination with any other FMLA-qualifying leaves in a single 12-month period beginning with the employee's first day out.

6.4 Such leaves may be on a consecutive basis, intermittent or a reduced schedule basis, as detailed by the health care provider on the Certification.

6.5 Employees must utilize accrued sick time first until sick leave accruals are exhausted. Employees may then request and utilize any accrued floating holidays (salaried only), vacation or other accrued paid time off (see Section 10.6 below) or be placed on no-pay status.

6.6 In all cases, time absent, whether paid or not, will be applied toward the applicable 26-week FMLA time period.

## QUALIFYING EXIGENCY MILITARY FAMILY LEAVE ("QEL")

7.1 An employee who is a spouse, son, daughter, or parent of a covered servicemember called to, or on, covered active duty in regular or reserve components of the Armed Forces during a deployment of the servicemember to a foreign country may take up to 12 workweeks of leave during any 12 month period for a "qualifying exigency."

7.2 Reasonable documentation of family relationship may be required.

7.3 A "qualifying exigency" is limited to the following: a) short notice deployment; b) attending certain military events and related activities; c) arranging for alternative childcare and school activities; d) addressing financial and legal arrangements; e) counseling; f) rest and recuperation; g) attending post-deployment activities; and h) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on time and duration of the leave.

7.4 Leaves for Qualifying Exigencies shall be unpaid, unless the employee requests and is given permission to use accrued vacation time, floating holidays (salaried only) or other accrued time off (excluding sick time).

7.5 In all cases, time absent, whether paid or not, will be applied toward the applicable 12-week FMLA time period.

## JOB SECURITY FOR SALARIED EMPLOYEES WHILE ON FMLA OR EXTENDED MEDICAL LEAVE

8.1 When a salaried employee is absent from work on any qualified consecutive FMLA leave, other than Military Family Leave, their position will only be held open for a period of three months beginning on the first day of absence for the first FMLA leave within a 12-month period, even if the employee has accumulated sick and/or vacation leave that extends beyond that three month period.

8.2 If a department intends to fill a salaried position held by someone on FMLA leave (other than qualifying Military Family Leave) at any time after the expiration of the three month job security period, the employee's supervisor must notify site/headquarters Human Resources and the employee of this intent.

8.3 For all FMLA leaves other than Military Family Leave, any extended leave beyond the three months FMLA and job security period up to, but not exceeding, six months must be approved by the employee's Business Unit head or Regional Manager in conjunction with Human Resources prior to informing the employee of the approval of the extension. By approving the extension, the Authority will attempt to maintain the availability of a position, but not necessarily the same position, for the agreed upon leave period. In these circumstances, there is no guarantee that the employee's current position will remain open. The Authority will attempt to place the employee in a similar (or lesser) position for which they are qualified at the time of return. A position will not be created. At the conclusion of six months, the employee will be advised that his/her continued employment has been terminated.

8.4 When an employee is absent from work on a qualifying Military Family Leave, their position will be held open for a period of up to six months beginning on the first day of absence for the first FMLA leave within a 12-month period, even if the employee has accumulated sick and/or vacation leave that extends beyond that six month period. At the conclusion of six months, the employee will be advised that his/her employment has been terminated.

8.5 Extensions of leave beyond the six month period will be considered on an individual basis. Such a request **must** be made in writing and can only be approved by the Human Resources Department Head. Such requests should be made as soon as practicable before the end of the six-month period and must include information from the health care provider about the employee's current medical status, expected return to work dates as well as any return to work conditions or limitations. Any remaining accrued sick leave will also be taken into consideration in reviewing the request for an extension of the leave. For extensions of Military Family Leave beyond the six month period, the military member's current medical status and the employee's expected return to work date must be provided.

## WORKERS' COMPENSATION

9.1 If an employee is out on a Workers' Compensation leave for a health condition which also qualifies as an FMLA leave, it will be treated concurrently as an FMLA leave.

9.2 In such cases, employees have the option of applying unused accrued sick and/or vacation time to their first three months of absence from work. The employee must complete a "Use of Vacation/Sick Accruals" form (provided by their Human Resources representative) to make their election, which is irrevocable. If the employee chooses to apply sick/vacation time towards a Workers' Compensation/FMLA leave and the Workers' Compensation claim is found to be compensable, sick/vacation time will be credited back to the employee on a prorated basis in a proportionate manner based on the amount of the award and the amount of sick/vacation time used or other Collective Bargaining Agreement contractual language.

9.3 Bargaining Unit employees are directed to their Human Resources Facilities Manager and the applicable Collective Bargaining Agreement or Benefit book.

## PAYROLL STATUS WHILE ON FMLA LEAVE

10.1 Depending on the particular type of leave and an employee's individual circumstances (including whether they are salaried or members of a bargaining unit), an employee may be eligible for income while on a FMLA leave through sick leave, sick leave at half-pay for salaried employees, vacation leave, short term disability for bargaining unit employees, and/or long term disability, or all or part of a FMLA leave may be unpaid.

10.2 Applicable benefits and associated payroll deductions (taxes, flexible benefit credits and deductions, NYS Retirement System contributions, PowerFlex, Employees' Savings Plan, loans, Liberty Mutual insurance, other insurance, etc.) will continue while an employee is out on any qualified FMLA leave and is still receiving compensation regardless of whether it is full- or half-pay (using sick or vacation accruals) or sick leave at half-pay, if applicable.

10.3 Deductions are prioritized by the Payroll Department. Any questions concerning the priority of deductions should be addressed to the Payroll Department and/or the applicable Human Resources representative.

10.4 For salaried employees, if an employee works on a part-time schedule prior to going out on FMLA leave, and is receiving compensation while on that leave, they will be paid based on the days they work on their part-time schedule.

10.5 For bargaining unit employees, holidays will be fully paid if during the calendar week in which such holiday occurs the employee has been on paid status at least two full days and all absences from work on the employee's remaining regularly scheduled work days during that week are approved in writing by the supervisor in accordance with the applicable Collective Bargaining Agreement. Employees on unpaid status prior to the calendar week of the holiday will not be paid for the holiday.

10.6 An employee on an FMLA leave who wants to use their accrued vacation time to cover any part of that leave must make a request to their local Human Resources Department. Without notification, accrued vacation time will not be automatically applied.

10.7 Holidays will be fully paid only if an employee is on a full-pay status (using sick or vacation leave or floating holiday) on the business day prior to the holiday. Holidays will be paid at half-pay if the employee is on sick leave at half-pay on the business day prior to the holiday. Employees on unpaid status on the day prior to a holiday will not be paid for the holiday.

10.8 Floating holidays, if accrued but not used before FMLA leave commences, must be used before any unpaid leave begins. If an employee on half or full pay status will be on leave at the end of the calendar year, and has not yet used their floating holidays, they will automatically be applied toward the leave prior to year's end.

10.9 Deductions and Credits:

1) FlexAbility Deductions

a) Where applicable, FlexAbility credits for Salaried employees, or payments for Waiving Coverage for IBEW employees and/or any other applicable benefit costs, will continue to be paid/deducted while an employee is out on FMLA leave and is still receiving pay from NYPA.

b) Once on a no pay status, in order for the benefit costs to remain a pre-tax deduction, where applicable, Human Resources and Payroll must receive enough advance notice (30 days) before a leave begins, to be able to arrange for the pre-tax deductions to be taken from the paycheck.

c) Otherwise, an employee must pay their applicable contributions to the Authority monthly during their leave on an after-tax basis. (Bargaining unit employees contact your HR Department for appropriate no pay status form)

d) The Authority's obligation to maintain the above coverages ceases if the contribution is more than 30 days late. The Authority must give 15 days' notice to the employee prior to the termination of benefits.

2) If a portion of a salaried employee's FMLA leave will be unpaid, flex credits will be used to determine the premium they must pay to the Authority. The cost will be based on the flex credits they were entitled to while being paid, minus the cost of deductions.

Bargaining Unit employees' payments will be based on their benefit elections and applicable contractual contribution.

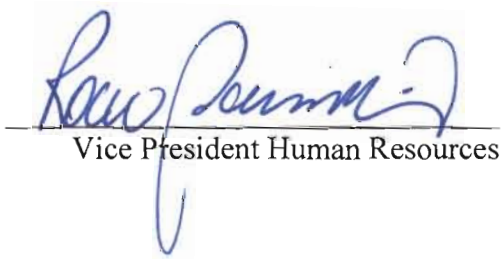
3) All other deductions (i.e., PowerFlex accounts) will be doubled per pay-period when an employee returns to work until they are back on the appropriate annual deduction schedule or have made up the appropriate percentage amount.

4) Benefits Coverage Period:

a) Salaried employee's benefits will continue for 6 months (from first day of absence) as long as an employee pays the required employee contributions while they are out on leave.

b) A salaried employee's benefits will cease once the employee has been absent for six months from their first day of absence, even if their leave is approved to be extended beyond six months under the provisions of Section 8.5. If a salaried employee has 10 or more years of service with the Authority and is collecting long-term disability payments (see the Employee Benefits Handbook for Salaried Employees for LTD eligibility criteria), their health care coverage will be continued at a cost to them. The cost will be based on flex credits, minus the cost of the medical plan.

c) Bargaining unit employees should contact their Human Resources Facility Manager and refer to their applicable Collective Bargaining Agreement and Benefit book.



Vice President Human Resources

# DONATION OF VACATION LEAVE

This attachment allows eligible salaried employees who are on medical leave to receive vacation leave that has been donated by other salaried employees.

Eligibility

An employee *absent for his/her own personal illness or injury* who has been out for at least 20 ***consecutive business*** days due to a ***serious health*** condition and who has exhausted ALL accumulated sick and vacation leave credits will be eligible to receive donated vacation leave. The 20-day waiting period has been established in order to limit eligibility to long-term serious ***health*** conditions rather than short-term sick leave.

An employee receiving any form of pay (i.e., workers' compensation, sick leave at half-pay, long-term disability) is not eligible to receive donated vacation leave.

Who May Donate

An employee who has accumulated vacation leave credits and who is on the active payroll may donate vacation leave.

*Donated Vacation Information*

An employee may donate vacation leave in increments of 1 day.

A donating employee must be left with a remaining vacation leave balance of 5 days, in the event he/she needs the time for unforeseen reasons.

If an employee returns to work and all of the donated vacation leave is not fully utilized by the recipient, ***up to 10 days of donated vacation may be kept by the employee. The remainder will be credited back proportionately to the donating employees based on the number of days donated by each employee compared to the total days donated.***

Procedures

When an eligible employee exhausts his or her accumulated sick and vacation leave credits, Payroll will notify the employee and his or her business group, unit/department head. The business group, unit/department head may, at his or her discretion, ask employees if they wish to donate vacation leave days. When determining whether an employee is eligible to receive donated vacation leave, the business group, unit/department head should consider factors such as the employee's attendance record. The business group, unit/department head, or his/her designee, should try to determine how much time is needed until the employee is eligible for long-term disability benefits.

When a department cannot provide an employee with a sufficient number of days at full pay until the employee is eligible for long-term disability benefits, the business group, unit/department head may request the Employee Relations Manager at headquarters, or the Facility Manager of Human Resources at the sites, to solicit other departments to participate.

Donated vacation leave cannot exceed three months from commencement of the leave (the time at which the employee is eligible for long-term disability benefits).

An employee who wishes to donate vacation leave must complete a Vacation Donation Form (see Attachment 2) and submit the form to the employee's business group, unit/department head or designee, who in turn should forward the form to Payroll.

Payroll will credit the donated vacation leave days to the recipient employee's vacation leave balance (not calculated by rate of pay). Donated vacation leave will be paid to the employee at his or her regular rate of pay. Applicable payroll taxes and deductions will be withheld from such payments.

When an employee donates vacation leave, his or her vacation leave balance will be reduced by the number of days donated (not calculated by rate of pay).

# VACATION DONATION FORM FOR SALARIED EMPLOYEES

**TO: WPO Payroll**

_____ _____
**Donor's Name** **Date**

_____ _____ _____
**Department** **Location** **Extension**

_____ _____
**Number of Vacation Days to be donated** **Donated To**

_____ _____
**Signature** **Date**

Cc: Recipient

| NEW YORK POWER AUTHORITY | EP: | 3.4 |
|---|---|---|
| | REVISION: | 7 |
| EMPLOYEE POLICY | DATE: | 7/29/2013 |

PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

# LEAVES OF ABSENCE

1.1 This policy provides the requirements for a salaried Authority employee to take one of the following leaves of absence: leave due to death in the family, military leave, leave for jury duty, or personal leave without pay. (Information about leaves of absence covered by the Family and Medical Leave Act is found in EP: 3.3.)

## Leaves Due To Death In The Family

2.1 The Authority provides three days of paid leave when there is a death in an employee's immediate family. Temporary Employees (as defined in Section 2.1 (e) of EP: 3.1) are not eligible for such paid leave.

2.2 Immediate family is defined as an employee's spouse, mother, father, stepmother, stepfather, brother, brother's spouse, sister, sister's spouse, child, child's spouse, stepchild, grandparents, grandchildren; or an employee's spouse's mother, father, brother, sister, children, or grandparents. For these purposes "spouse" will include domestic partners who have satisfied NYPA's Domestic Partner Benefits eligibility (even if not subscribed to NYPA Domestic Partner medical benefits). Refer to the Flexability Plan Overview of Employee Handbook or the HR intranet site.

2.3 If an employee will be absent due to the death of an immediate family member he/she must notify his/her supervisor as soon as possible.

2.4 The employee's time, indicating the reason for the absence must be entered in the time entry system and the appropriate documentation must be submitted to the employee's supervisor. Vacation leave or a floating holiday is to be used when the deceased is someone other than immediate family (as listed in Section 2.2), or if an employee intends to take more than the three days provided for in this policy.

2.5 Leave due to death in the immediate family is paid at an employee's base salary for the number of days absent (up to three days).

## Military Leave

3.1 If an employee (as defined in Section 2.1 (a), (b), (c) and (d) of EP: 3.1) is a member of the National Guard or the Organized Reserve Forces of the United States he/she will be allowed up to 30 workdays leave of absence per calendar year with full pay for military service.

3.2 Documentation of appropriate military orders must be provided prior to the commencement of the leave, with as much advance notice as possible.

3.3 Upon return from leave, the Payroll Department must receive a copy of the appropriate military orders.

3.4 Authorized military leave is paid at an employee's base salary.

3.5 Special circumstances may apply to employees who are activated in connection with serving in the military under a U.S. Declaration of War or Congressional Authorization of Force or for employees who are Emergency Service Volunteers who are certified by the American Red Cross as disaster volunteers. For more details contact your local Human Resources office.

## Leave For Jury Duty

4.1 The Authority provides a full-time, part-time or provisional salaried employee (as defined in EP: 3.1) with a paid leave of absence for the time needed to fulfill jury duty service. Temporary salaried employees, cooperatives and interns are entitled to minimum benefits for a leave of absence due to jury duty as required by law.

4.2 If an employee is summoned and required to serve on jury duty, he/she must advise his/her supervisor of the jury duty summons as soon as possible.

4.3 The employee is expected to report to work to the extent reasonably practicable when jury duty requires only part of the day.

4.4 Upon return from jury duty the employee must furnish his/her supervisor with a copy of the jury duty summons, or similar documentation.

4.5 Employees are paid for all days served on jury duty at their base salary in effect upon commencement of leave.

## Pay Status Of Authority Employee Subpoenaed As A Witness

5.1 If an employee is subpoenaed to testify in a judicial or administrative proceeding as a witness on a matter arising out of his/her responsibilities at the Authority, or if an employee appears in a judicial or administrative proceeding at the request of the Authority, he/she will be paid at his/her base salary.

5.2 In all other circumstances, e.g., when an employee appears as a witness in a matter unrelated to the Authority or for activities outside the scope of his/her Authority

responsibilities, vacation time must be charged for any absence in connection with that appearance.

Personal Leave Without Pay

6.1 A leave of absence, other than a medical leave or a Family and Medical Leave Act ("FMLA") leave, (see EP: 3.3), to pursue personal interests will be considered on an individual basis as long as the absence will not adversely affect his/her department's work goals and needs.

6.2 If an employee is seeking to take a personal leave without pay he/she must submit a written request to his/her supervisor indicating the reason for the leave, the date the leave is expected to commence and the expected length of the leave. If the supervisor and the Business Group, Unit/Department Head, or Regional/Plant Manager (approval level based on Business Group Head discretion), approves a request, approval from the Human Resources Department Head must be received before the employee is notified that the request has been granted. Requests for such leave should be forwarded to Employee Relations at headquarters or the Facility Manager of Human Resources for site staff so approval can be obtained from the Human Resources Department Head.

6.3 Before an employee is placed on personal leave without pay, he/she must exhaust all accumulated vacation leave credits, unless special exemption has been granted by the Human Resources Department Head. Accumulated sick leave credits may not be used for personal leave purposes.

6.4 Job security while on personal leave without pay will be considered by the respective department, in consultation with Employee Relations based on the individual circumstances (i.e., length of leave, reasons, etc.).

6.5 A member of the Employee Relations staff at headquarters or the Facility Manager - Human Resources at the sites will provide direction about the personal leave without pay. All benefits, with the exception of long-term disability and New York State Retirement System service credit (which require active payroll status), will continue for a personal leave without pay of 30 days or less. The employee will be required to pay his/her employee contributions during a personal leave without pay of 30 days or less. If a personal leave without pay is granted for a period of more than 30 days, all benefits, with the exception of long-term disability and New York State Retirement System service credit, can be continued if the employee pays the full cost of the benefits. Arrangements can be made to continue benefits by making contributions on a post-tax basis.

6.6 Long-term disability insurance coverage will cease at the commencement of an approved personal leave without pay, but will resume upon the employee's return from leave. New York State Retirement System participation will continue; but the employee will not earn

service credit during the period of the leave. Service credit will resume upon an employee's return from leave.

6.7 If an employee is on personal leave without pay on January 1, he/she will receive sick and vacation leave credits on a pro-rated basis upon his/her return to work. If an employee receives sick and vacation leave credits on January 1, and commences a Personal Leave without pay after that date, he/she keeps the sick and vacation leave that was credited on January 1.

6.8 When an employee is on personal leave without pay, he/she will not receive holiday pay if a holiday occurs during the leave.

6.9 Before an employee's return from an approved personal leave without pay, the supervisor must notify the Employee Relations Unit of Human Resources at headquarters or the Facility Manager - Human Resources, so that the necessary payroll and benefits transactions can be initiated to return the employee to active status (the employee cannot return to work at his/her discretion).

## Paid Volunteer Time (PVT)

7.1 In order to support the efforts of full-time, salaried employees (as defined in Section 2.1 (a) of EP: 3.1) who give their time to communities and charitable organizations, the Authority provides two days of paid volunteer time (PVT) annually.

7.2 Employees must be actively at work to participate.

7.3 One day may be used for an individual volunteer activity and one day may be used for a team (of Authority employees) volunteer project. Or, both days may be used for team volunteer projects.

Volunteer activities/projects include, but are not limited to, park cleanup, fundraising walks, food drives, blood drives, disaster recovery assistance, and building/repairing affordable housing. The activities/projects can support local, national or international charities.

7.4 Employees may request to use PVT in full days or half days. PVT hours must be used during normal business hours. PVT will be paid at an employee's normal rate of pay, and is not subject to overtime rates or any other expenses that are associated with such leave. Unused PVT may not be carried over to the next calendar year.

7.5 If an employee is seeking to take a PVT day, he/she must submit a request form to his/her supervisor and Human Resources, indicating the organization he/she will be volunteering

for, the type of activity, and the date of the PVT. Human Resources will confer with the Chief Ethics and Compliance Officer to conduct a conflict of interest analysis consistent with the Authority's Ethics Code of Conduct. If the analysis results in a finding of compliance with the Code of Ethics, the request will be approved. Supervisors/Managers will approve requests on an individual basis as long as the absence will not adversely affect his/her department's work goals and needs. An employee is not authorized to take a PVT day unless he/she has obtained approvals from Supervisor/Manager, Human Resources and the Chief Ethics and Compliance Officer.

7.6 The organization must have an IRS designation of a 501(c) (3) or be recognized as tax-deductible under Section 170(c) of the Internal Revenue Code. All charities must also be vetted in accordance with the U.S. Patriot Act.

7.7 The Authority cannot approve requests for certain activities/projects, including but not limited to:

- pose a potential conflict of interest for the Authority;
- are not aligned with the Code of Conduct or our corporate values;
- may involve the Authority in controversial issues;
- pose safety or security risks to employees (e.g. clean-up work at a disaster site; construction or remodeling work not under the supervision of a trained professional; or any type of volunteer activity not under the supervision of an eligible charity);
- consist of fundraisers for individuals rather than registered charities;
- benefit charities with the sole purpose of providing support to a named individual or a named family;
- influence legislation or involve electing candidates to public office;
- involve religious programs of churches, temples, mosques, or other sectarian organizations;
- are programs offered by clubs, fraternities/sororities, or membership associations; or
- involvement in schools for attendance at social or sporting events.

Vice President, Human Resources

7/30/13

Date

| NEW YORK POWER AUTHORITY | EP: | 3.6 |
|---|---|---|
| | REVISION: | 10 |
| EMPLOYEE POLICY | DATE: | 12/18/2012 |

PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

# EDUCATIONAL ASSISTANCE PROGRAM

## Purpose

1.1 The Authority is committed to helping its salaried employees pursue professional growth and development and encourages the use of the Educational Assistance Program for courses leading to an undergraduate or graduate degree or a certificate program that is of mutual benefit to employees and the Authority.

## Eligibility

2.1 The Educational Assistance Program is available to full-time or part-time salaried Authority employees and transitional employees, who maintain a performance rating of "achieved expectations" or better. Generally, employees who receive a performance rating of "partially achieved" or "did not meet expectations" are not eligible to receive benefits under this program. (However, there may be instances when supervisors determine that the overall performance of employees with a rating of "partially achieved expectations" may have sufficiently improved to allow them to receive benefits under this program (see section 8.4 for additional details). Provisional and temporary employees, including cooperative employees and developmental interns, are not eligible for the Educational Assistance Program. (See EP: 3.1, Salaried Employees' Eligibility for Benefits, for definitions of employee categories.)

2.2 Eligibility for the Educational Assistance Program ends upon termination or separation from employment as a NYPA employee. Courses started prior to an employee's employment date or while on a leave, or courses that are completed after an employee's termination or separation from employment, are not eligible for reimbursement (see section 3.1 and 8.5 for additional details). Courses started prior to an approved FMLA medical leave are eligible for reimbursement at the discretion of an employee's immediate supervisor (see section 8.5 for additional details).

2.3 School attendance will be at times other than an employee's normal working hours.

## Reimbursement to the Authority

3.1 All benefits under this Policy are contingent upon the employee's continued employment with the Authority for a continuous period of at least one year for undergraduate degree programs and two years for graduate programs, such period to begin from the employee's last payment towards a degree or certificate program either in process or earned. If the employee leaves NYPA's employment before the end of the commitment period (for a reason

other than a reduction in force), the employee agrees to repay in full all monies expended by NYPA on behalf of the employee in connection with the applicable degree program.

## Eligible Institutions and Programs

4.1 In order to be covered by the Educational Assistance Program, the degree or certificate program must be obtained from a regionally accredited educational institution. On-line or distance educational course work (course work taken via the internet) from a regionally accredited educational institution may be reimbursable pending review and approval by an employee's immediate supervisor or Department Head/Business Unit Head or Regional Managers at the facilities, Business Group Head and Corporate Human Resources. Fees for proficiency examinations (CLEP for example) are reimbursable only if employees pass the examination and college credit is granted. Fees for review courses are reimbursable only if the course is completed in full and employees obtain a completion certificate. (Employees will be reimbursed for the same or similar review course only once.) A certificate program means an advanced program sponsored by a college or university leading to the award of a specialized certificate. It does not include stand-alone courses such as Dale Carnegie and others. Courses that are not part of a degree or certificate program are not covered by the Educational Assistance Program. The costs for approved courses are covered by individual Business Unit budgets.

## Approval

5.1 At Headquarters (WPO, Albany Office), the degree or certificate program must first be approved by an employee's immediate supervisor, the Business Unit/Department Head and the Business Group head in accordance with this policy. Approved requests should be forwarded to Human Resources for final determination of eligibility for the Educational Assistance Program. At all other facilities, the degree or certificate program must be approved by an employee's Department Head and Regional Manager in accordance with this policy. Approved requests should be forwarded to site Human Resources for final determination of eligibility for the Educational Assistance Program.

5.2 Approval for educational assistance is contingent upon a careful review that the degree or certificate program supports or improves skills required for (1) the employee's current position or (2) a potential future assignment with the Authority. The degree or certificate program should also be in line with the employee's NYPA career development objectives. Supervisors who approve an educational assistance program application should include the skills the employee will learn in the degree or certificate program in the Developmental Plan section of the employee's Performance Plus Document ("PPD"), and measure the application of those skills on the job in the Performance Assessment Summary section of the employee's PPD.

5.3 If the degree or certificate program is aimed at a new career field, there must be a reasonable expectation that job opportunities will exist in the new field within the Authority, and that

the employee will qualify for those opportunities. A reasonable expectation, however, is not a guarantee that a position will be available at the time the degree or certificate program is completed. Therefore, reimbursement for tuition and fees will be at half the financial level of reimbursement for undergraduate degrees. At Headquarters, the Business Group Head where this expected opportunity will exist is also required to approve the proposed degree or certificate program. At all other sites, the Regional Manager where this expected opportunity will exist and Human Resources will be required to approve the proposed degree or certificate program.

## Reimbursement for Expenses

6.1 Employees are responsible for payment of tuition and eligible required fees when registering for courses at eligible institutions. Tuition and eligible fees will be reimbursed only after successful completion of the course(s) at a minimum grade level of "C" or its equivalent or a "P" in a pass/fail course (limited to two courses per degree curriculum) and provided employees are employed by NYPA at the time the course is completed. If requested, Human Resources will provide a school with verification of an employee's eligibility for the program. For employees that are approved for Educational Assistance after September 1, 2012, reimbursements are limited to one reimbursement per season. Seasons are defined as Spring, Summer I, Summer II, Fall and Winter.

6.2 For undergraduate courses, the Authority will reimburse 100% of tuition, books, lab and computer fees, and mandatory course registration fees up to a maximum reimbursement of $2,000 per season (as defined above). For undergraduate or graduate courses aimed at a new career field, the Authority will reimburse 100% of tuition, books, lab and computer fees, and mandatory course registration fees up to a maximum reimbursement of $1,000 per season.

6.3 For graduate courses related to an employee's current career field, the Authority will reimburse 100% of tuition, books, lab and computer fees, mandatory course registration fees, and thesis/dissertation supplies up to a maximum benefit of $3,000 per season.

6.4 Ancillary fees that may be required by the educational institution (either mandatory or optional), including but not limited to fees for application, late registration, student activities, health care services, student licensing, matriculation, graduation or diploma are not reimbursable. Parking fees are not reimbursable. Applications for non-routine items not mentioned in this paragraph must be submitted to Human Resources for consideration.

## Initial Application Process

7.1 Employees must submit an initial Application for Educational Assistance to their immediate supervisor at least 30 days before the registration period. The application must include a copy of the degree or certificate program curriculum. Applications for review courses must be accompanied by a description of the course. Late applications, if accompanied by a written

explanation, will be considered on a case-by-case basis. Updated course curriculum may be requested on occasion.

7.2 At Headquarters, an employee's immediate supervisor, Business Unit/Department Head and Business Group Head must approve a request for educational assistance. Approved requests should be forwarded to Human Resources for final determination of an employee's eligibility for the program at least two weeks prior to registration. At the sites, Department Heads and Regional Managers must approve an employee's educational assistance requests. Approved requests should be forwarded to the local Human Resources Department for final determination of an employee's eligibility for the program at least two weeks prior to registration. Rejected requests will be returned with the reason for disapproval.

7.3 If an employee transfers to a new degree or certificate program or school, or transfers to a new Business Unit/Department within the Authority, a new Application for Educational Assistance must be approved.

Reimbursement Process

8.1 If the degree or certificate program is approved, in order to receive reimbursement, a completed Educational Assistance Program Request for Reimbursement Form must be submitted to Human Resources, along with the following items, no later than thirty (30) working days following receipt of evidence of satisfactory course completion:

- an itemized bursar's receipt for tuition and eligible fees paid;
- a grade report, official transcript or certification of completion of the course(s) documenting a grade of "C" or better, or a "P" in a pass/fail course(s);
- a sales receipt with book titles and prices itemized by the bookstore;
- original documentation indicating completion of a review course, if applicable;
- original documentation from school itemizing necessary supplies for a graduate level thesis/dissertation and an original sales receipt for the supplies, if applicable;
- copy of degree after completion of course curriculum.

8.2 Employees who receive financial aid, such as a scholarship, grant or reimbursement from any alternate source must report it and the amount on the Educational Assistance Program Request for Reimbursement Form. This amount will be deducted before computing the allowable reimbursement. Employees who fail to report amounts of financial aid or any other type of reimbursement on the reimbursement form, will be liable for return of the reimbursement award, and face possible exclusion from future Educational Assistance Program eligibility. Any falsification or misrepresentation of information will result in the denial of educational assistance.

8.3 If approved, employees will receive their reimbursement in a subsequent paycheck. Original documents will not be returned.

8.4 Generally, employees are not eligible for reimbursement for courses started after they receive a performance rating of "partially achieved expectations" or "did not meet expectations". Courses started prior to receiving a rating of "partially achieved expectations" or "did not meet expectations" will be reimbursed. Employees will be eligible for reimbursement once again for courses started after they achieve and maintain a performance rating of at least "achieved expectations" or in instances when supervisors determine that the performance of employees with a rating of "partially achieved expectations" has sufficiently improved.

8.5 Courses started prior to an employee's employment date, or while on a non-FMLA medical leave or a personal leave without pay, are not eligible for reimbursement. Courses that are completed after an employee's termination, or while on a non-FMLA medical leave or personal leave without pay, are not eligible for reimbursement.

8.6 Courses started prior to an approved FMLA medical leave are eligible for reimbursement at the discretion of an employee's immediate supervisor. Courses started during an approved FMLA medical leave are not eligible for reimbursement.

## Tax Consequences

9.1 For undergraduate and graduate level courses, the IRS allows the first $5,250 in employer-provided educational assistance in a calendar year to be considered as non-taxable income. Educational assistance above $5,250 per year may qualify for "favorable tax treatment" as a working condition fringe benefit, as defined in IRS Publication 15-B Employer's Tax Guide to Fringe Benefits. Requests for favorable tax treatment will be forwarded to the Law Department and when necessary, will confer with the Accounting Department to determine if the educational assistance qualifies for exclusion as a working condition benefit.

9.2 While the Authority may initially determine that an employee's educational assistance reimbursement is not taxable income, the Internal Revenue Service's decision is controlling in such circumstances and the Authority disclaims any responsibility for additional taxes, assessments, fines, or penalties imposed by the IRS. Employees are advised to consult with their own qualified tax professional, if they have tax questions.

Vice President, Human Resources

1/24/13
Date

| NEW YORK POWER AUTHORITY | EP: | 3.8 |
|---|---|---|
| | REVISION: | 5 |
| EMPLOYEE POLICY | DATE: | 01/01/2010 |

**PLEASE REFER TO THE PORTION OF THE HUMAN RESOURCES POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

## RELOCATION BENEFITS FOR NEW AND TRANSFERRED EMPLOYEES

1.1 This policy applies to those employees who have been offered relocation benefits by the Director of Compensation and Benefits or his/her designee or the Facility Manager of Human Resources (for site employees). Relocation benefits may be provided to eligible employees based on the Recruiting Location Guidelines (Attachment 1) utilized by Human Resources. Relocation benefits may be offered to an employee who: (1) meets the IRS distance test described below and other criteria as specified in IRS Publication 521- Moving Expenses, (2) meets all other criteria within EP 3.8, <u>and</u> (3) is either:

(a) a full-time, salaried employee or union employee (other than a temporary or provisional employee) who meets all other criteria and is transferring to an exempt salaried position at the request of the Authority (no minimum grade required), or who applies for a posted exempt salaried position and is hired from one Authority facility to another, for a period that is expected to last one year or longer;

(b) newly hired from outside the Authority as an exempt, full-time, salaried employee (other than a temporary or provisional employee) at any Authority location for a period that is expected to last one year or longer;

(c) a provisional employee who is offered full-time exempt salaried employment with the Authority, with benefits subject to certain limitations (see 6.1).

Please contact the Corporate Controller's group regarding assignments of less than one year. The Corporate Controller's group provides the most up-to-date information regarding per diem rates and associated issues.

1.2 This policy shall be applicable only if relocation benefits are extended by the Director of Compensation and Benefits or his/her designee or the Facility Manager of Human Resources at the facilities to the transferred employee at the time the transfer is formally approved or authorized by the Human Resources Department, or to the new employee at the time an official offer of employment is extended by an Employment Administrator in the White Plains Office or the Facility Manager of Human Resources at the facilities.

1.3 The Director of Compensation and Benefits or his/her designee shall have sole discretion in determining whether an employee or new hire otherwise meeting the requirements specified herein may be offered relocation benefits.

1.4 If relocation benefits are offered to a newly hired employee, the policy shall be distributed and explained to the employee at the time the offer of employment is officially extended by an Employment Administrator or the Facility Manager of Human Resources at the facilities.

1.5 If relocation benefits are offered to a transferring employee, the policy shall be distributed to and fully explained to the employee by the respective Site Human Resources Representative or the Director of Compensation and Benefits or his/her designee in the White Plains Office. This should be done for employees who are contemplating a transfer from one site to another **before** the offer is accepted. A transferred employee has the option of choosing either the Relocation Benefits as outlined in this policy or a $12,000.00 stipend, grossed up for tax purposes. If Relocation Benefits are being offered, the staffing authorization for a transferee or a new hire must include this information. **If a transferred employee chooses the Relocation Benefits outlined in this policy and owns a house, appraisals must be conducted prior to the transfer being accepted.** The average of two appraisals will be used to determine the fair market value of the property. In the event that the two appraisals vary by more than 10%, a third appraisal may be conducted at the request of the transferring employee and the three appraisals will then be used to determine the average anticipated sale price of the property. These appraisals will be coordinated by the Director of Compensation and Benefits or his/her designee.

1.6 A new employee has the option of choosing either the Relocation Benefits outlined in this policy or a $12,000.00 stipend. If the new hire chooses the stipend option, the above mentioned gross-up is **not** applicable, and the lump-sum will be taxed.

IRS Distance Test

2.1 According to the IRS Distance Test, the new main job location must be at least 50 miles further from the employee's former home than his/her prior job location. For example, if the prior work or job assignment was three miles from the employee's former home, the new work or job assignment must be at least 53 miles from the former home. If the IRS should change this distance test, the one in effect at the time of relocation shall apply.

a) In determining whether or not a relocation candidate meets the IRS distance requirement, the Rand McNally Standard Highway Mileage Guide, and/or the American Automobile Association, and/or reputable online mapping resources will be consulted.

b) The distance between two points is the shortest of the more commonly traveled routes between those points. The distance test does not apply to the location of the new home.

c) In determining whether a provisional employee who is offered employment on a full-time basis meets the distance requirement for the purposes of this policy, NYPA will treat prior job location for purposes of the distance test as the job prior to the NYPA provisional assignment.

2.2 In determining if an employee is in compliance with the distance test NYPA does not determine and is not responsible for tax implications. The relocating employee is advised to consult with his/her own tax advisor.

Financial Controls & Tax Implications

3.1 This policy must be applied with attention to the most cost-effective and economic means. Therefore, only those expenses incurred in accordance with the Authority's guidelines and procedures which are in the opinion of the Corporate Human Resources Department to be reasonable and cost effective, will be reimbursed under this policy.

Note:

a) The Authority does not reimburse any New York State sales tax. To avoid being charged New York State sales tax the relocating employee should submit a State of New York Exemption Certificate to the vendor. Exemption Certificates are available from the WPO Benefits Department, Facility Manager of Human Resources, or the Corporate Travel Department. (It is the responsibility of the relocating employee to obtain and utilize the Exemption Certificate).

b) The employee is eligible for up to two days off with pay to conduct the move of his/her household goods. Paid time off must receive prior approval of the employee's immediate supervisor.

c) Reimbursement for covered expenses is limited to the first **six months** of employment or transfer from one Authority facility to another.

3.2 Expenses reimbursed under this policy are includible in an employee's gross income. An employee may be able to offset some or all of the expenses reimbursed under this policy by itemizing his/her moving expense deductions. **The employee is advised to consult his/her own tax advisor.**

3.3 If the employee is responsible for any tax liability associated with the relocation, the tax liability is outlined in IRS Publication 521 - Moving Expenses, which is provided to the eligible employee along with the Policy. The Authority will withhold taxes on all amounts reimbursed under this policy in accordance with the Internal Revenue Code and IRS regulations and Authority Accounting Procedure AP 85-01, Employee Relocation Expense Reimbursements.

3.4 If any reimbursements for transferred employees under this policy are considered taxable income, such reimbursements shall be subject to an appropriate gross-up to provide compensation for the employees' additional local, state and federal tax obligations.

3.5 The newly hired employee shall be solely responsible for all taxes payable on the amounts received pursuant to this policy and the Authority shall not provide additional compensation for any such tax liability in the form of a gross up, indemnity, or otherwise. **The employee is advised to consult his/her own tax advisor.**

Exceptions

4.1 The Authority recognizes that extenuating circumstances may necessitate a deviation from this policy. A deviation will be deemed an exception to the policy. For an exception to be considered, detailed written justification as to the need, as well as an indication of which comparably valued reimbursable expense(s) the employee is willing to surrender to offset the cost of the exception, is required. If the employee is not willing to surrender a reimbursable expense(s) of comparable value, the exception will be denied.

4.2 The justification/expense-offset indication must be sent to the Director of Compensation and Benefits or his/her designee in the White Plains Office for review; it will then be determined whether the request for exception is approved or denied. **Exceptions above and beyond the provided benefits under policy 3.8 will be charged to the department to which the employee is being hired/transferred.**

4.3 Any exception to this policy, other than outlined in sections 4.1 and 4.2, will require detailed written justification as to the business need. The justification must be sent to the Director of Compensation and Benefits in the White Plains Office for review and recommendation to the Human Resources Department Head or his/her designee who determines whether the request for exception is approved or denied.

**The following items as described below may be reimbursed under this policy:**

House Hunting

5.1 Reimbursable house hunting trips must not exceed three trips or a maximum of six days of house hunting (three trips maximum, i.e., three two-day trips or two three-day trips).

5.2 Transferred employees must conduct house-hunting trips within the first three months of the employees' transfer date to the new position. The transferred employee will be granted up to three days off with pay for house hunting to locate a new residence. Scheduling of these paid days off is subject to prior approval of the employee's supervisor.

5.3 New employees must conduct house-hunting trips within the first three months of employment with the Authority. House hunting trips must be conducted on the new employee's own time.

5.4 Air or train travel reimbursement for house hunting must be approved by the Director of Compensation and Benefits or his/her designee at headquarters or the Facility Manager of Human Resources with concurrence from the Director of Compensation and Benefits prior to incurring the expense.

5.5 **To obtain the best possible lodging and transportation rates for house hunting trips, the employee must make all travel arrangements through the Authority's Travel Department. If the Travel Department is not used, the employee will not be reimbursed.**

5.6 Arrangements with the Travel Department for lodging and transportation during the house hunting trips are the responsibility of the employee unless other arrangements are made with the Benefits Representative in the White Plains Office or the Facility Manager of Human Resources. During house hunting, occupation of more than one hotel room must be approved by the Benefits Representative prior to incurring expenses.

5.7 An employee will be reimbursed through the use of a Relocation Expense Statement with itemized receipts for the following reasonable travel and living expenses which may be incurred by the employee and spouse during the search for a new residence near the facility:

a) Travel by personal car at the Authority established rate per mile which includes the mileage traveled to and from the area of the new work site, or in connection with authorized air or train travel to and from the airport/station; **use of a rental vehicle for house hunting will be applied towards the employee's miscellaneous expense allowance.**

b) Fees for tolls and parking expenses incurred in connection with house hunting and travel by personal car, or in connection with authorized air or train travel to and from the airport/station;

c) Travel by air or train with prior approval provided that reservations are made through the Authority's Travel Department to obtain the best possible fare.

d) Reasonable meal expenses for breakfast, lunch and dinner, for the employee and his/her spouse may be reimbursed (providing house hunting does not take place during the interim living period); and must not exceed the daily maximum allowance as specified in the Corporate Accounting Policy (1.5).

e) Reasonable lodging expenses. The Authority issued AMEX charge card should be used for this expense. If the employee does not have an Authority issued AMEX charge card, a personal credit card may be used.

Interim Living Expenses

6.1 Reimbursement for interim living expenses will be provided for the employee who has been transferred or begun new employment and must live in temporary lodging at the new location. Interim living expenses should begin as close to the employees start date as possible. **Provisional employees who are hired on a full-time basis are not entitled to interim living expenses as detailed in 6.1 – 6.7.**

6.2 Interim living expenses will be reimbursed to the employee for a maximum of three months, which should be taken during the first six months of employment or transfer from one Authority facility to another. Any day in which the employee submits living expenses during their move to the new residence or when moving their household goods, will be included in the three month maximum if the move is conducted within the Interim Living period. Any expenses incurred for moving to the new residence and/or movement of household goods beyond the six-month maximum time period will not be reimbursed.

6.3 A lump sum gross amount of $3,250 per month downstate (WPO and POL) and $2,500 per month upstate (B-G, CEC, NIA, and STL) will be provided for employee's interim living expenses. An employee will be reimbursed this lump sum amount by submitting a Relocation Expense Statement at the end of each month. No receipts are required; however, in the Explanation section on the Relocation Expense Statement the period of time for which reimbursement is being requested must be indicated. Expenses for a partial month will be pro-rated. Interim living expenses will not be paid for time beyond the earlier date of delivery of household goods or occupying the new home. Under no circumstances will interim living expenses exceed three months.

6.4 It is the responsibility of the employee to make any interim living and transportation arrangements.

6.5 Travel, tolls, and parking expenses incurred during the commute to and from work during the interim living period are at the employee's own expense.

6.6 The following will be covered by the appropriate monthly lump sum:

a) Charge for a hotel or rental fees;
b) Charge for laundry;
c) Charges for local and long distance telephone calls;
d) Expenses for meals.

6.7 The employee may be reimbursed for trips home every other weekend or holidays when the family still resides at the former residence. If the employee elects to make a trip home by personal car, mileage will be reimbursed in accordance with the Authority's Travel Policy, CP: 2.1. If the employee elects to travel home by air or train, the fare, which must be arranged by the Authority's Travel Department, and parking and tolls connected with the travel will be reimbursed. Reimbursement will not be made beyond the three-month interim living period.

Moving to New Residence

7.1 The employee will be reimbursed when itemized receipts are furnished through the use of a Relocation Expense Statement for the following covered expenses for the employee and his/her family which may be incurred during the actual move from the time the old residence is vacated until the arrival at the new residence. Actual dates of vacating the old residence and arrival at the new residence, should be clearly indicated on the Relocation Expense Statement:

a) The reasonable charge for meals. There is a daily maximum allowance specified in the Corporate Accounting Policy (1.5). Meals submitted under the relocation policy as a qualified expense, or if a lump-sum or stipend is provided to the employee, may not be reimbursed as a business expense under any other Authority policy.

b) The reasonable charge for a hotel room. Hotel rates **must** be discussed with the Benefits Representative in the White Plains Office or the Facility Manager of Human Resources for approval prior to incurring expenses. While moving to the new location, occupancy of more than one room per family **must** be approved by the Benefits Representative in the White Plains Office prior to incurring expenses;

c) Travel for up to two personal vehicles at the Authority established rate per mile while traveling from the old residence to the new residence. In no instance will mileage for travel of more than two personal vehicles be paid by the Authority; The Authority does not reimburse for transport of vehicles by commercial van line.

d) Tolls for a maximum of two personal vehicles;

e) Any day used for moving to the new residence will be included in the three months allocated for interim living.

Movement of Household Goods

8.1 The employee may elect to have his or her household goods moved from the old residence to the new residence either by a commercial van line or through a self-move using a rental vehicle.

8.2 If a commercial van line is used, the employee must use the services of one of the current moving companies with whom the Authority has contracted. A moving company will be assigned on a rotational basis.

8.3 Shipment of household goods by a commercial van line will be limited to the move from the location of the former primary residence to the location of the new primary residence.

8.4 The following items will be covered expenses which may be incurred in a commercial van line move:

1. linehaul charges;
2. insurance charges - declared value;
3. cost of containers;
4. charges for packing and basic unpacking;
5. shipment of appliances and servicing; (third party fees - services provided by an individual or company other than the assigned moving company will not be reimbursed).

8.5 The following items are **not** covered in a commercial van line move:

1. extra pick-up/delivery;
2. automobiles, boats, or any other recreational or lawn vehicles
3. frozen food, and/or perishable goods;
4. swing sets, pool tables, lumber/building materials, or any other cumbersome items;
5. storage and associated costs;
6. crates and/or crating charges.

Movement of any other unusual, cumbersome or dangerous items will be subject to prior approval by the Benefits Representative in the White Plains Office with concurrence from the Director of Compensation and Benefits.

8.6 The employee who elects a self-move may be reimbursed for the following items through use of a Relocation Expense Statement when itemized receipts are furnished:

1. rental of the vehicle;
2. cost of containers and equipment for packing;
3. insurance coverage;
4. rental of a tow bar for a personal vehicle;
5. gas used during rental of a vehicle;
6. servicing of appliances.

8.7 In no event will an employee be reimbursed for any labor involved during the course of a self-move, (i.e., to help load the vehicle).

## Miscellaneous Relocation Expenses

9.1 Employees will be reimbursed through the use of a Relocation Expense Statement with itemized receipts for miscellaneous expenses which may be incurred by the employee when relocating to the new location that are not otherwise listed as covered expenses in this policy, not to exceed $1,500 for new hires or $1,800 for transferees.

9.2 Proof of payment will be required in order to be reimbursed for these expenses (i.e., cancelled check and invoice).

9.3 Items that would be reimbursed may include, but are not limited to:

a) Expenses incurred for disconnecting and reconnecting of appliances, if done by a third party and separate from commercial van line charges;

b) Installation charge for telephone service at new residence;

c) Rental car expenses during house hunting, including gasoline for the rental car only in cases where the employee travels by air or train to the new location, or a personal vehicle is unavailable;

d) Child care expenses necessary to permit employee and spouse to search for a new residence. Childcare will be covered up to $7.00 per hour or $350.00 per week for in-home care for all of the employee's children. Childcare arrangements such as day care centers, family day care and live in arrangements must be discussed with the Benefits Representative in the White Plains Office or the Facility Manager of Human Resources;

e) Installation charge for television/internet/cable connection which was installed in the employee's previous residence. Proof of telephone/cable/internet connection in employee's previous residence and new residence in the form of recent invoices must be provided;

f) Fees for kennel or shipment of pets; and

9.4 See Attachment 2 for additional reimbursable expenses for transferred employees.

## Reimbursement to the Authority

All benefits provided under this Policy are contingent upon the employee's continued employment with the Authority for a continuous period of at least one year from the employee's start date at the new Authority location. If the employee separates from service voluntarily prior to completion of such one-year period, he/she shall reimburse the Authority for a portion of all benefits (including any gross-up if applicable) paid under this policy in the following manner: (1) 75% of the total benefits (including any gross-up if applicable) provided if separation occurs within six months of the employee's start date at the new Authority location; (2) 50% of the total benefits (including any gross-up if applicable) provided if separation occurs on or after six months but prior to the completion of the one-year period.

10.1 In determining the portion of benefits which must be reimbursed by the employee under this policy, the one-year period shall be calculated from the first day of work at the new location.

10.2 In the event that a reimbursement is due and owing to the Authority under this policy, the Authority shall deduct such amount from monies which would otherwise be payable by the Authority to the employee until the required reimbursement is satisfied. This shall be accomplished via payroll deduction from monies which would otherwise be due the employee in the following order: first, payments allocable to unused vacation time; second, payment for services rendered. If such deductions are insufficient to satisfy the reimbursement due hereunder, the employee shall provide the Authority with a certified check for the balance prior to his/her last day of employment.

10.3 Prior to the receipt of any relocation monies available under this policy, an employee shall indicate his/her affirmative consent to the reimbursement procedures specified in this policy by signing the Relocation Reimbursement Option Certification (Attachment 3).

Vice President Human Resources

ATTACHMENT 1

RECRUITING LOCATION GUIDELINES FOR RELOCATION

The recruiting process limits the location of the search for different positions which therefore limits the availability of relocation benefits. All non-exempt positions and any position that falls outside of the following recruitment guidelines are ineligible for relocation benefits.

Eligible Positions for Relocation Benefits:

East of the Mississippi:

Exempt positions (non-engineering): grades 4-6, grades C-D, and leadership bands

Engineering and positions related to the generation and transmission of power: grades 2-6, grades C-D, and leadership bands

Nationwide:

Exempt (non-engineering) positions: leadership bands only

Engineering and positions related to the generation and transmission of power: grade D and leadership bands

# ADDITIONAL REIMBURSABLE EXPENSES FOR EMPLOYEES **TRANSFERRED** FROM ONE AUTHORITY LOCATION TO ANOTHER

## 1.0 Sale of Residence at Former Location

a) The transferred employee will be reimbursed through the use of a Relocation Expense Statement, with itemized receipts and a copy of the signed Settlement Statement (HUD Form), for the following expenses which may be incurred during the sale of his/her residence at the former location:

1) Real estate broker's commission not to exceed six percent of the gross selling price;

2) Personal attorney's fees not to exceed one percent of the selling price.

---

Additionally the transferred employee will receive up to a maximum of 5% of the gross selling price to cover the following expenses:

3) FHA, VA, and GI mortgage fees which are paid on the old residence. Reimbursement up to a maximum of three points;

4) Appraisal fee on former residence when appraiser is certified, whether or not transfer is accepted by employee;

5) Property survey fee, if this is a seller's expense in an amount as dictated by locale;

6) Lender's legal fees for preparing and recording legal documents and searching the title, if this is a seller's expense in an amount as dictated by the locale;

7) Unavoidable prepayment penalty fees on mortgage;

8) State transfer tax;

9) Records mortgage satisfaction and mortgage pick-up fees paid to the title company; and

10) Radon testing and resultant modifications required to sell old residence, not to exceed $500.00 when proper documentation has been provided indicating that property is located in radon area.

## 2.0 Renting at Former Location

a) A penalty for cancellation of the lease not to exceed security deposit and two months' rent less any amount earned by subleasing will be reimbursed when itemized receipts are furnished, accompanied by a complete Relocation Expense Statement;

b) Forfeiture of security deposit as the result of damages to the residence is not covered.

3.0 Purchase of Residence at New Location

3.1 If the transferred employee was renting at former location, he/she will not be reimbursed for expenses which may be incurred if he/she chooses to purchase a residence at new location.

3.2 The transferred employee will be reimbursed through the use of a Relocation Expense Statement with itemized receipts and a copy of the signed Settlement Statement for the following expenses which may be incurred when purchasing a residence at the new location;

a) Personal attorney's fees not to exceed one percent of the purchase price;

b) Closing costs not to exceed five percent of the purchase price which have been incurred for:

1. lender's legal fees for preparing and recording legal documents and searching the title, if this is a purchaser's expense in an amount as dictated by the locale;

2. loan origination fees - one point maximum;

3. pre-purchase appraisal fees;

4. inspection fees (radon, pest and flood only - not structural);

5. lender's mortgage title insurance premium; (if not broken out by lender's/owner's premium, no amount will be reimbursed);

6. credit report;

7. application fee;

8. property survey fee, if this is a purchaser's expense in an amount as dictated by locale;

9. real estate taxes (escrow for those taxes are not reimbursed) state tax stamps only;

10. lump sum mortgage insurance premium - private mortgage insurance premium (PMI) will not be reimbursed; and

11. points - not to exceed three (this includes one point for origination fees).

4.0 Renting at New Location

The transferred employee will be reimbursed through the use of a Relocation Expense Statement with itemized receipts for real estate broker's fees in connection with the rental of an apartment or house, not to exceed ten percent of the first year's rent.

# Relocation Reimbursement Option Certification

I, _____, hereby choose to receive:

[_] Relocation Expense (as outlined in Relocation Policy EP 3.8)

**or**

[_] A $12,000.00 stipend in lieu of the relocation benefits available under the New York Power Authority's ("Authority") Relocation Policy, EP 3.8. In doing this I relinquish all relocation benefits that I would otherwise be eligible for as a newly hired or transferred employee.

[_] Taxable lump-sum

[_] Net stipend (for **Transferred** employees **only**)

I also agree that I will provide reimbursement to the Authority according to the schedule listed below if I voluntarily separate employment prior to completion of one year of service at the Authority.

1. I will reimburse the Authority 75% of the total benefit received, provided separation occurs within six months of my start/transfer date to the new Authority location.

2. I will reimburse the Authority 50% of the total benefit received, provided separation occurs on or after six months, but prior to the completion of one year beginning from my start/transfer date to the new Authority location.

In the event that my employment should terminate involuntarily, I understand that the above mentioned reimbursement will not be required.

I further authorize the Authority to deduct any such reimbursement due and owing to the Authority from such amounts as may otherwise be payable to me until full reimbursement is made to the Authority. Specifically, I herby authorize payroll deduction first from any and all monies attributable to unused vacation time and second, if required, from compensation for services rendered.

If the above amounts provide insufficient to cover the entire reimbursement due and owing to the Authority, I hereby agree to provide the Authority with a certified check or money order for the balance prior to my last day of employment.

I acknowledge that this certification is **<u>not</u>** an employment contract and will not be construed or interpreted by me as containing any guarantee of continued employment. I recognize that my employment with the Authority shall be at-will and that the Authority may terminate my employment at any time and for any reason. I may also terminate my employment at any time and for any reason.

_____ _____Sworn to before me on the _____ day of _____

Signature Date

_____

Print Name

_____

Received by HR (Initial and Date)

| NEW YORK POWER AUTHORITY | EP: | 3.9 |
|---|---|---|
| | REVISION: | 3 |
| EMPLOYEE POLICY | DATE: | 8/5/2014 |

PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

# SICK LEAVE

1.1 This policy provides guidelines for the accrual and use of sick leave credits, sick leave at half-pay and long-term disability for salaried employees.

## Sick Leave Accrual

2.1 Full-time salaried employees accrue sick time as follows:

a) 3.46 hours per pay period if on a 37.5 hour work week
b) 3.69 hours per pay period if on a 40 hour work week

2.2 Part-time salaried Authority employees (working 20 or more hours per week, but less than full-time weekly work hours) and provisional employees that work less than full-time (working at least 30 hours or more per week) accrue sick leave on a prorated basis based on the number of hours the employee is scheduled to work.

2.3 There is no maximum on the amount of sick leave credits that may be carried over from one year to another.

2.4 Sick time only accrues when an employee is on full-pay status. Accruals resume when the employee returns to full pay status.

2.5 In the event of an active employee's death, payment for accrued and unused sick leave, up to a maximum of 100 days, will be paid to the beneficiary designated by the employee for their NYPA life insurance. If no beneficiary is designated, or the designated beneficiary pre-deceases the employee, payment will be made as allowed by law.

2.6 Sick leave may be paid out to employees who retire with the New York State Retirement System directly upon separation of service from the Authority (see the Employee Benefits Handbook).

## Sick Leave Usage

3.1 Sick time shall only be used for an employee's illnesses or injuries, or that of family members as specified in Section 3.4 below, and not substituted for any other type of absences.

3.2 Employees who are absent from work due to their own illness or injury (or that of eligible family members under Section 3.4), must notify their supervisor of such absence as soon as practicable, and keep the supervisor informed as to their expected date of return. Accrued sick leave may only be used in full or half-day increments.

3.3 Full or half-day absences (including reasonable travel and actual visit time) for trips to a health care provider will require use of sick leave credits, and prior approval of an employee's supervisor when foreseeable. However, supervisors may, with advanced approval, allow employees to take less than half-days off with flexible scheduling allowing employees to make up time by working extra hours on other days during the same workweek. Supervisors may also grant employees time off without using accrued sick leave if the absence is so brief that it does not affect the employee's work or performance.

3.4 Employees may use up to 10 sick days per calendar year to care for the medical needs of their sick children, spouse, parent (not parent-in-law), or domestic partner who has satisfied NYPA's Domestic Partner Benefits eligibility (even if not subscribed to NYPA Domestic Partner medical benefits). These days may also be used for caring for a wife or domestic partner recovering from routine childbirth.

3.5 An employee may not use more than five (5) consecutive or closely occurring intermittent business days due to their own "serious health condition," or that of their relatives listed in Section 3.4, without applying for and if approved having the leave designated under the Family Medical Leave Act ("FMLA") leave (See EP: 3.3). When the absences exceed this five (5) day period for a "serious health condition," the employee should provide notification to Human Resources, at which point the FMLA process will be initiated for eligible employees.

3.6 The Authority may require written medical documentation of an illness or injury, and/or that the employee be examined by a physician designated by the Authority before approving the use of any sick leave and/or prior to the employee's return to work. In addition, supervisors may request a doctor's note to confirm/verify a medical appointment on a given day and time.

3.7 Supervisors are responsible for monitoring sick leave usage for appropriateness, accuracy, and adherence to Employee Policies, and for remaining informed of employees' available sick and vacation balances when approving time off. Excessive and/or questionable patterns of absenteeism, frequency of requests for full or partial sick days, or low or zero balances should signal the need for further review or action which may take several courses [i.e.: need for Family Medical Leave Act ("FMLA"), performance issue, etc.] to prevent abuse of this benefit.

3.8 An employee's use of accrued sick leave is approved by his/her supervisor when the supervisor approves the employee's timesheet or electronic time record. If there are false time sheets or electronic time records of an employee's time and attendance, the employee (and depending on the circumstances, the supervisor who is responsible for approving such time) will be held accountable.

## Sick Leave at Half-Pay

4.1 Employees who have completed one or more years of Authority service, are eligible for sick leave at half-pay during an approved Employee Medical Leave ("EML") under the FMLA when they do not have, or have exhausted, sufficient accumulated sick leave credits to cover their FMLA leave. For part-time or provisional employees that are less than full-time and on EML, sick leave at half-pay will be paid on a prorated basis based on their weekly work schedule.

4.2 The cumulative total of all sick leave at half-pay shall not exceed two pay periods (four weeks) for each completed year of service. However, vacation leave may be used to complete a full year of service for sick leave at half-pay purposes if it used before sick leave is exhausted. This use of vacation time does not extend any job security or FMLA time periods.

4.3 Sick leave at half-pay will be paid retroactively from the first day an eligible employee is without sick leave credits through either the end of their EML or earlier through the exhaustion of the half-pay benefit, or due to the circumstances described in Section 4.6 below.

4.4 Upon request, and with the approval of the local Human Resources Benefits Group, sick leave at half pay may be allowed to minimally exceed the 12 workweek FMLA entitlement period in those limited unique situations where there is a small gap of time between the end of the maximum sick leave at half pay benefit and the beginning of the LTD eligibility period.

4.5 Sick leave at half pay will be replenished a) if an employee has returned to work from an EML for at least 30 calendar days and then needs to go out again for that same illness or injury, or b) without regard to timing, if an employee has returned to work from an EML and then needs to go out again for a different illness or injury. However, in no event will the replenishment of sick leave at half-pay extend any job security or FMLA time periods.

4.6 If an employee who has already been on an approved FMLA leave other than an EML, returns to work and then goes back out for their own illness or injury on an approved EML within the same FMLA yearly period, the employee will only be eligible to receive sick leave at half-pay for the remaining FMLA time period (even if the employee's own medical needs extend beyond the total 12-week FMLA entitlement). See EP: 3.3.

4.7 All payroll deductions will continue to be made regardless of whether an employee on sick leave is being paid on a full or half-pay status. Any questions concerning the priority of deductions should be addressed to the Payroll Unit and/or the applicable Human Resources representative.

4.8 Employees receiving sick leave at half pay or on no pay status are not eligible to receive Holidays, Floating Holidays, sick accruals or annual vacation accruals until they return to work on either full or part-time status. Those on sick leave at half pay will receive half pay benefit for all days which occur during their sick leave at half pay.

Long Term Disability

5.1 Employees may be eligible for benefit payments under the Long-Term Disability Plan they selected at open enrollment, once they have been on leave for three consecutive months of absence for their own illness or injury, and after they have exhausted all of their accrued sick time. Provisional employees are not eligible for long-term disability. Information on long-term disability is provided in the Long-Term Disability booklet available from Human Resources and the Employee Benefits Handbook for Salaried Employees on the NYPA Intranet.

Roxi Ruman

Vice President Human Resources

8/5/14

PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

# SICK LEAVE

1.1 This policy provides guidelines for the accrual and use of sick leave credits, sick leave at half-pay and long-term disability for salaried employees.

## Sick Leave Accrual

2.1 Full-time salaried employees accrue sick time as follows:

a) 3.46 hours per pay period if on a 37.5 hour work week
b) 3.69 hours per pay period if on a 40 hour work week

2.2 Part-time salaried Authority employees (working 20 or more hours per week, but less than full-time weekly work hours) and provisional employees that work less than full-time (working at least 30 hours or more per week) accrue sick leave on a prorated basis based on the number of hours the employee is scheduled to work.

2.3 There is no maximum on the amount of sick leave credits that may be carried over from one year to another.

2.4 Sick time only accrues when an employee is on full-pay status. Accruals resume when the employee returns to full pay status.

2.5 In the event of an active employee's death, payment for accrued and unused sick leave, up to a maximum of 100 days, will be paid to the beneficiary designated by the employee for their NYPA life insurance. If no beneficiary is designated, or the designated beneficiary pre-deceases the employee, payment will be made as allowed by law.

2.6 Sick leave may be paid out to employees who retire with the New York State Retirement System directly upon separation of service from the Authority (see the Employee Benefits Handbook).

## Sick Leave Usage

3.1 Sick time shall only be used for an employee's illnesses or injuries, or that of family members as specified in Section 3.4 below, and not substituted for any other type of absences.

3.2 Employees who are absent from work due to their own illness or injury (or that of eligible family members under Section 3.4), must notify their supervisor of such absence as soon as practicable, and keep the supervisor informed as to their expected date of return. Accrued sick leave may only be used in full or half-day increments.

3.3 Full or half-day absences (including reasonable travel and actual visit time) for trips to a health care provider will require use of sick leave credits, and prior approval of an employee's supervisor when foreseeable. However, supervisors may, with advanced

approval, allow employees to take less than half-days off with flexible scheduling allowing employees to make up time by working extra hours on other days during the same ~~pay period.~~workweek. Supervisors may also grant employees time off without using accrued sick leave if the absence is so brief that it does not affect the employee's work or performance.

3.4 Employees may use up to 10 sick days per calendar year to care for the medical needs of their sick children, spouse, parent (not parent-in-law), or domestic partner who has satisfied NYPA's Domestic Partner Benefits eligibility (even if not subscribed to NYPA Domestic Partner medical benefits). These days may also be used for caring for a wife or domestic partner recovering from routine childbirth.

3.5 An employee may not use more than ~~three (3~~five (5) consecutive or closely occurring intermittent business days due to their own "serious health condition," or that of their relatives listed in Section 3.4, without applying for and if approved having the leave designated under the Family Medical Leave Act ("FMLA") leave (See EP: 3.3). When the absences exceed this ~~three~~five (5) day period for a "serious health condition," the employee should provide notification to Human Resources, at which point the FMLA process will be initiated for eligible employees.

3.6 The Authority may require written medical documentation of an illness or injury, and/or that the employee be examined by a physician designated by the Authority before approving the use of any sick leave and/or prior to the employee's return to work. In addition, supervisors may request a doctor's note to confirm/verify a medical appointment on a given day and time.

3.7 Supervisors are responsible for monitoring sick leave usage for appropriateness, accuracy, and adherence to Employee Policies, and for remaining informed of employees' available sick and vacation balances when approving time off. Excessive and/or questionable patterns of absenteeism, frequency of requests for full or partial sick days, or low or zero balances should signal the need for further review or action which may take several courses [i.e.: need for Family Medical Leave Act ("FMLA"), performance issue, etc.] to prevent abuse of this benefit.

3.8 An employee's use of accrued sick leave is approved by his/her supervisor when the supervisor approves the employee's timesheet or electronic time record. If there are false time sheets or electronic time records of an employee's time and attendance, the employee (and depending on the circumstances, the supervisor who is responsible for approving such time) will be held accountable.

## Sick Leave at Half-Pay

4.1 Employees who have completed one or more years of Authority service, are eligible for sick leave at half-pay during an approved Employee Medical Leave ("EML") under the FMLA when they do not have, or have exhausted, sufficient accumulated sick leave credits to cover their FMLA leave. For part-time or provisional employees that are less than full-time and on EML, sick leave at half-pay will be paid on a prorated basis based on their weekly work schedule.

4.2 The cumulative total of all sick leave at half-pay shall not exceed two pay periods (four weeks) for each completed year of service. However, vacation leave may be used to complete a full year of service for sick leave at half-pay purposes if it used before sick leave is exhausted. This use of vacation time does not extend any job security or FMLA time periods.

4.3 Sick leave at half-pay will be paid retroactively from the first day an eligible employee is without sick leave credits through either the end of their EML or earlier through the exhaustion of the half-pay benefit, or due to the circumstances described in Section 4.6 below.

4.4 Upon request, and with the approval of the local Human Resources Benefits Group, sick leave at half pay may be allowed to minimally exceed the 12 workweek FMLA entitlement period in those limited unique situations where there is a small gap of time between the end of the maximum sick leave at half pay benefit and the beginning of the LTD eligibility period.

4.5 Sick leave at half pay will be replenished a) if an employee has returned to work from an EML for at least 30 calendar days and then needs to go out again for that same illness or injury, or b) without regard to timing, if an employee has returned to work from an EML and then needs to go out again for a different illness or injury. However, in no event will the replenishment of sick leave at half-pay extend any job security or FMLA time periods.

4.6 If an employee who has already been on an approved FMLA leave other than an EML, returns to work and then goes back out for their own illness or injury on an approved EML within the same FMLA yearly period, the employee will only be eligible to receive sick leave at half-pay for the remaining FMLA time period (even if the employee's own medical needs extend beyond the total 12-week FMLA entitlement). See EP: 3.3.

4.7 All payroll deductions will continue to be made regardless of whether an employee on sick leave is being paid on a full or half-pay status. Any questions concerning the priority of deductions should be addressed to the Payroll Unit and/or the applicable Human Resources representative.

4.8 Employees receiving sick leave at half pay or on no pay status are not eligible to receive Holidays, Floating Holidays, sick accruals or annual vacation accruals until they return to work on either full or part-time status. Those on sick leave at half pay will receive half pay benefit for all days which occur during their sick leave at half pay.

## Long Term Disability

5.1 Employees may be eligible for benefit payments under the Long-Term Disability Plan they selected at open enrollment, once they have been on leave for three consecutive months of absence for their own illness or injury, and after they have exhausted all of their accrued sick time. Provisional employees are not eligible for long-term disability. Information on long-term disability is provided in the Long-Term Disability booklet available from Human Resources and the Employee Benefits Handbook for Salaried Employees on the NYPA Intranet.

_____

Vice President Human Resources

| NEW YORK POWER AUTHORITY | EP: | 4.6 |
|---|---|---|
| | REVISION: | 9 |
| EMPLOYEE POLICY | DATE: | 03/01/2014 |

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# ATTENDANCE AND FLEXIBLE HOURS

1.1 To ensure an efficient and productive work environment, this policy establishes basic hours of daily work, basic workweek, flexible hours, punctuality guidelines, and guidelines for reporting to work in the event of inclement weather, transportation or other emergency situations for salaried employees. The work hours, workweek and lunch schedules may vary at different NYPA work locations.

1.2 NYPA expects all employees, regardless of location, to assume responsibility for their attendance and promptness, and to begin work no later than their designated start time. Employees should anticipate that NYPA work locations will be open every workday.

## Basic Work Hours and Workweek

2.1 If an employee works in the White Plains or Albany Office:

a) The basic daily hours of work may vary based on department needs. This is defined as "flexible hours." The typical workday may begin anytime between 7:00am and 9:30am.

b) The basic workweek shall consist of five workdays (in a seven-day period) of seven and a half hours each, exclusive of mealtime.

c) A lunch period is normally provided between the hours of 12:00 pm and 2:00pm unless adjusted by an employee's supervisor.

2.2 If an employee works at a location where NYPA generation or transmission facilities are operated or maintained and the normal workweek is 40 hours, the following shall apply:

a) For salaried employees the basic daily hours of work shall be determined by the Regional Manager or the person otherwise responsible for the work location. The typical workday may begin anytime between 7:00 am and 9:00am.

b) The basic workweek shall consist of five workdays, (in a seven-day period) of eight hours each, exclusive of mealtime, and shall be determined by the Regional Manager or the person otherwise responsible for the work location.

c) Salaried employees' mealtime shall be determined by the Regional Manager or the person otherwise responsible for the work location.

2.3 Salaried Employees who work in areas requiring 24/7 coverage may be on 12 hour shift rotations, with schedules based on 2,080 hours for the year.

a) Schedules will be determined by the requirements of the department at the location and approved by the Regional Manager (sites) or Department Head.

b) Various schedule rotations will result in an average of 40 hours per week over the course of the rotation (e.g. a 5 week rotation of: 48 – 36– 36 – 48 – 32 hours per week for a total of 200 hours) and employees are paid a base 80 hours per pay period, regardless of the scheduled hours in the period.

c) Pay for all hours in the schedule is at straight time inclusive of Holiday, Sick, Vacation, etc. [See EP 2.4 Salaried Non-Exempt and Facility-Based Exempt Overtime for additional information regarding hours outside of scheduled shift.]

d) Holidays, including floating holidays, are included in the 2,080 work hours in the year. For employees on 12 hour shift, holidays are adjusted to the equivalent hours based on the 12 hour days. [E.g. if there are 14 8 hour holidays in the holiday schedule, salaried employees on 12 hour shift will be adjusted to nine 12 hour holidays and one 8 hour floater.]

a. Holidays that do not fall on a scheduled day in the rotation are moved to the nearest scheduled day. It is at management's discretion as to whether or not the employee has to work this day or take the holiday based on available coverage.

2.4 The payroll period for a basic workweek at some locations may be Thursday through the following Wednesday, or Sunday through the following Saturday.

## Punctuality Guidelines

3.1 Employees are expected to report for and remain at work during the basic daily hours as established by the applicable employing department or location, except for meal periods.

3.2 The basic daily workhours and basic workweek will vary at the Albany and White Plains Offices and at the facilities; however, the punctuality guidelines require that all employees report to work in a timely manner. Once hours have been established, employees will be expected to work the designated hours and days.

3.3 Employees who leave NYPA's employment, must physically be at work on their last day in order for it to be considered their last day of work.

3.4 Adherence to the flexible hours schedule will be enforced by the manager or supervisor. An employee may not switch his/her flexible hours schedule without approval by his/her manager or supervisor.

3.5 When an employee is late, he/she should meet with his/her supervisor to discuss the reason for the tardiness. Lateness is not charged against sick or vacation leave unless a half day or more is taken.

3.6 If the tardiness is not excusable, the employee's supervisor should document the occurrence. Specific guidelines for dealing with performance problems are established in EP 4.2, Performance Improvement. Documented cases of excessive absenteeism, tardiness or requests to leave early may result in the application of vacation time for such events and\or disciplinary action in accordance with EP 4.2.

## Flex Time Schedules

4.1 In an effort to offer employees work-life balance solutions and minimize workplace commutes, flex time schedules to allow one day or a half day off within a two week pay period, will be permitted as follows:

a) Employees wishing to participate in the program must submit a matrix indicating his/her flex time period to his/her manager for approval, reference and planning. Once the flex schedule is approved, every attempt must be made to adhere to that schedule (any deviations must be pre-approved by the employee's supervisor).

b) Flex time schedules are not guaranteed and may be altered as necessary to accommodate the business needs of each Business Group/Unit and/or department.

c) Employees cannot be required to work a flex time schedule.

d) Non-exempt employee work schedules cannot exceed 40 hours in any given week as a result of an employee's working an approved flex time schedule.

e) All employees working a flex time schedule must take at least a half hour lunch period.

f) Total hours worked within a given pay period must be no less than 75 hours or 80 hours (whichever is applicable) and must correspond to a two week pay period (Monday-Friday).

g) Holidays (including floating holidays) sick, vacation, and paid volunteer time must be recorded as your base hours (i.e.: 7.5 hours at WPO and Albany). In the event of a holiday or if an employee takes a sick day, vacation day, or paid volunteer day and he/she was scheduled to work 8.5 hours, he/she will only get credit for 7.5 hours and will need to make up the extra hour another day during that pay period.

h) Employees who take more than 2 days off (sick, vacation, holiday, or paid volunteer time) in a two week pay period are not eligible to work a flex time schedule in that pay period.

i) An employee's participation in this program may be discontinued at any time at the discretion of the employee's supervisor, manager or Business Unit head.

## Office Closing Due to Inclement Weather or Emergencies

5.1 Unless notified otherwise, employees should anticipate that NYPA offices will be open. Only under extreme weather conditions or other emergency situations would the Albany Office and/or White Plains Office be closed. Office closings will be announced via the NYPA voice mail message system and First Call systems.

5.2 During the workday, if conditions warrant the closing of either the White Plains or Albany Office, the Human Resources Department Head, after consultation with the SVP Corporate Support Services and the President and Chief Executive Officer, will contact the Business Group Heads to advise them of the decision to close. Business Group Heads should then notify their respective staffs. During non-work hours, employees may call the NYPA voice mail system for office closing announcements.

5.3 If an employee expects to be late due to inclement weather, difficult transportation conditions or any other reason, he/she should notify his/her supervisor of the expected arrival time as soon as possible.

5.4 If an employee decides not to come to work, his/her immediate supervisor should be notified as soon as possible. In that instance, the absence must be charged to an employee's accumulated vacation time (accumulated sick time cannot be charged).

## Records of Attendance

6.1 Records of attendance shall be maintained for all employees at all NYPA locations through completion of a time report, which is maintained using the NYPA's time and attendance tracking system (CATS). Supervisors or their designees must approve all CATS entries before the time entries are transmitted to Payroll. Part-time NYPA employees must submit their time report on a weekly basis.

6.2 Falsification of any supervisory-approved records of attendance will result in disciplinary action up to and including termination.

Vice President, Human Resources

April 4, 2014

Date

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

# ATTENDANCE AND FLEXIBLE HOURS

1.1 To ensure an efficient and productive work environment, this policy establishes basic hours of daily work, basic workweek, flexible hours, punctuality guidelines, and guidelines for reporting to work in the event of inclement weather, transportation or other emergency situations for salaried employees. The ~~workhours~~work hours, workweek and lunch schedules may vary at different NYPA work locations.

1.2 NYPA expects all employees, regardless of location, to assume responsibility for their attendance and promptness, and to begin work no later than their designated start time. Employees should anticipate that NYPA work locations will be open every workday.

## Basic ~~Workhours~~Work Hours and Workweek

2.1 If an employee works in the White Plains or Albany Office:

a) The basic daily hours of work may vary based on department needs. This is defined as "flexible hours." The typical workday may begin anytime between 7:00am and 9:30am.

b) The basic workweek shall consist of five workdays (in a seven-day period) of seven and a half hours each, exclusive of mealtime.

c) A lunch period is normally provided between the hours of 12:00 pm and 2:00pm unless adjusted by an employee's supervisor.

2.2 If an employee works at a location where NYPA generation or transmission facilities are operated or maintained and the normal workweek is 40 hours, the following shall apply:

a) For salaried employees the basic daily hours of work shall be determined by the Regional Manager or the person otherwise responsible for the work location. The typical workday may begin anytime between 7:00 am and 9:00am.

b) The basic workweek shall consist of five workdays, (in a seven-day period) of eight hours each, exclusive of mealtime, and shall be determined by the Regional Manager or the person otherwise responsible for the work location.

c) Salaried employees' mealtime shall be determined by the Regional Manager or the person otherwise responsible for the work location.

2.3 Salaried Employees who work in areas requiring 24/7 coverage may be on 12 hour shift rotations, with schedules based on 2,080 hours for the year.

a) Schedules will be determined by the requirements of the department at the location and approved by the Regional Manager (sites) or Department Head.

b) Various schedule rotations will result in an average of 40 hours per week over the course of the rotation (e.g. a 5 week rotation of: 48 – 36– 36 – 48 – 32 hours per week for a total of 200 hours) and employees are paid a base 80 hours per pay period, regardless of the scheduled hours in the period.

c) Pay for all hours in the schedule is at straight time inclusive of Holiday, Sick, Vacation, etc. [See EP 2.4 Salaried Non-Exempt and Facility-Based Exempt Overtime for additional information regarding hours outside of scheduled shift.]

d) Holidays, including floating holidays, are included in the 2,080 work hours in the year. For employees on 12 hour shift, holidays are adjusted to the equivalent hours based on the 12 hour days. [E.g. if there are 14 8 hour holidays in the holiday schedule, salaried employees on 12 hour shift will be adjusted to nine 12 hour holidays and one 8 hour floater.]

a. Holidays that do not fall on a scheduled day in the rotation are moved to the nearest scheduled day. It is at management's discretion as to whether or not the employee has to work this day or take the holiday based on available coverage.

2.4 The payroll period for a basic workweek at some locations may be Thursday through the following Wednesday, or Sunday through the following Saturday.

## Punctuality Guidelines

3.1 Employees are expected to report for and remain at work during the basic daily hours as established by the applicable employing department or location, except for meal periods.

3.2 The basic daily workhours and basic workweek will vary at the Albany and White Plains Offices and at the facilities; however, the punctuality guidelines require that all employees report to work in a timely manner. Once hours have been established, employees will be expected to work the designated hours and days.

3.3 Employees who leave NYPA's employment, must physically be at work on their last day in order for it to be considered their last day of work.

3.4 Adherence to the flexible hours schedule will be enforced by the manager or supervisor. An employee may not switch his/her flexible hours schedule without approval by his/her manager or supervisor.

3.5 When an employee is late, he/she should meet with his/her supervisor to discuss the reason for the tardiness. Lateness is not charged against sick or vacation leave unless a half day or more is taken.

3.6 If the tardiness is not excusable, the employee's supervisor should document the occurrence. Specific guidelines for dealing with performance problems are established in EP 4.2, Performance Improvement. Documented cases of excessive absenteeism, tardiness or requests to leave early may result in the application of vacation time for such events and\or disciplinary action in accordance with EP 4.2.

## Flex Time Schedules

4.1 In an effort to offer employees work-life balance solutions and minimize workplace commutes, flex time schedules to allow one day or a half day off within a two week pay period, will be permitted as follows:

a) Employees wishing to participate in the program must submit a matrix indicating his/her flex time period to his/her manager for approval, reference and planning. Once the flex schedule is approved, every attempt must be made to adhere to that schedule (any deviations must be pre-approved by the employee's supervisor).

b) Flex time schedules are not guaranteed and may be altered as necessary to accommodate the business needs of each Business Group/Unit and/or department.

c) Employees cannot be required to work a flex time schedule.

d) Non-exempt employee work schedules cannot exceed 40 hours in any given week as a result of an employee's working an approved flex time schedule.

e) All employees working a flex time schedule must take at least a ~~halfhour~~half hour lunch period.

f) Total hours worked within a given pay period must be no less than 75 hours or 80 hours (whichever is applicable) and must correspond to a two week pay period (Monday-Friday).

g) Holidays (including floating holidays) sick, vacation, and paid volunteer time must be recorded as your base hours (i.e.: 7.5 hours at WPO and Albany). In the event of a holiday or if an employee takes a sick day, vacation day, or paid volunteer day and he/she was scheduled to work 8.5 hours, he/she will only get credit for 7.5 hours and will need to make up the extra hour another day during that pay period.

h) Employees who take more than 2 days off (sick, vacation, holiday, or paid volunteer time) in a two week pay period are not eligible to work a flex time schedule in that pay period.

i) An employee's participation in this program may be discontinued at any time at the discretion of the employee's supervisor, manager or Business Unit head.

## Office Closing Due to Inclement Weather or Emergencies

5.1 Unless notified otherwise, employees should anticipate that NYPA offices will be open. Only under extreme weather conditions or other emergency situations would the Albany Office and/or White Plains Office be closed. Office closings will be announced via the NYPA voice mail message system and First Call systems.

5.2 During the workday, if conditions warrant the closing of either the White Plains or Albany Office, the Human Resources Department Head, after consultation with the SVP Corporate Support Services and the President and Chief Executive Officer, will contact the Business Group Heads to advise them of the decision to close. Business Group Heads should then notify their respective staffs. During non-work hours, employees may call ~~the Business Group Heads to advise them of the decision to close. Business Group Heads should then notify their respective staffs. During non-work hours, employees may call~~ the NYPA voice mail system for office closing announcements.

5.3 If an employee expects to be late due to inclement weather, difficult transportation conditions or any other reason, he/she should notify his/her supervisor of the expected arrival time as soon as possible.

5.4 If an employee decides not to come to work, his/her immediate supervisor should be notified as soon as possible. In that instance, the absence must be charged to an employee's accumulated vacation time (accumulated sick time cannot be charged).

## Records of Attendance

6.1 Records of attendance shall be maintained for all employees at all NYPA ~~loc(ltions~~locations through completion of a time report, which is maintained using the NYPA's time and attendance tracking system (CATS). Supervisors or their designees must approve all CATS entries before the time entries are transmitted to Payroll. Part-time NYPA employees must submit their time report on a weekly basis.

6.2 Falsification of any supervisory-approved records of attendance will result in disciplinary action up to and including termination.

_____

Vice President, Human Resources

_____

Date

| New York Power Authority | CAP: 1.5 |
|---|---|
| Corporate Accounting | Date: 3/31/12 |
| Subject: Reimbursement of Employee Meal Costs | Revision: 13 |

**1.0 Objectives**

**1.1** This policy provides for the reimbursement of reasonable and prudent meal expenses employees incur in the performance of their duties. Each employee is responsible for ensuring that submitted expenses are accurate and in compliance with the provisions of the policy. The approving supervisor is responsible for ensuring cost effectiveness and reasonableness of expenses incurred as well as compliance with policy.

**1.2** This policy is established to ensure:

a. that employees are reimbursed for the necessary and reasonable cost of meals incurred while performing their duties
b. meal reimbursement guidelines are clearly communicated to staff and consistently applied, and
c. meal expenses are reimbursed within Authority policy limits

**1.3** The policy applies to reimbursement of all meals except for those covered by union agreements.

**2.0 General**

**2.1** Meals eligible for reimbursement are incurred by an employee:

a. While traveling overnight on Authority business.
b. While taking a day trip on Authority business.
c. In connection with working overtime.
d. As a "working meal" during a business meeting.

Specific guidelines governing reimbursement are provided in the following sections of this policy.

**2.2** Requests for reimbursement are required to include identification of the meal (breakfast, lunch or dinner) with an explanation of its business purpose. Receipts are required for individual meals with a cost in excess of $10. All reimbursement requests require the approval of the employee's supervisor / manager or business unit head before processing for payment.

**2.3** Employees who hold the company-sponsored corporate travel card should use the card to pay for business meals. If an employee does not have a corporate travel card, the use of a personal card is encouraged. (Authority policy requires the use of the corporate travel card to pay for all business transportation*, lodging, and car rentals in order to ensure proper receipt documentation and eligibility for special negotiated fares) (Refer to CAP 1.7 Corporate Travel Card Program for further details).

* Except for air/rail travel which should be charged to the Authority's direct billed Citi card.

Employees may use the company procurement credit card (procard) with direct billing to the Authority to pay for meals incurred for internal training courses and working meetings including board and management committee meetings. The procurement card should not be used for any other meal expenses. Refer to Corporate Accounting Policy CAP 4.1 Petty Cash for further details.

## 3.0 Policy Details

### 3.1 Overnight Travel

Employees traveling on business that requires an overnight stay will be reimbursed for **actual** and reasonable meal costs up to the following maximum daily amounts:

| | |
| --- | --- |
| $55 | travel to upstate facilities (BG, CEC, Niagara, St. Law-FDR, Albany) |
| $70 | travel to downstate facilities (White Plains, New York swing office, 500MW and Flynn) |
| $70 | other travel |

When on overnight travel status, employees will be reimbursed for breakfast when travel begins before 7:00 AM, for lunch when travel begins before noon, and for dinner when returning home after 7:00 PM.

Employees who spend more than the maximum daily amount should reduce their reimbursement requests for the applicable days to the appropriate amounts (i.e. $55 or $70 depending on the destination). The Authority reimburses employees for the cost of breakfast, lunch, and dinner within these meal guidelines. The cost of food and beverages between breakfast, lunch, and dinner is not reimbursable.

### 3.2 Day Trips

Employees taking day trips to conduct Authority business will be reimbursed for meals based on travel times. Reimbursements will be provided (1) for breakfast, if the employee leaves home at least one hour before their normal departure time, and (2) for lunch, if the employee is on travel status during their normal lunch hour, and (3) for dinner, if the employee returns home at least two hours after their normal returning time. The Authority reimburses employees for the cost of breakfast, lunch, and dinner within these meal guidelines. The cost of food and beverages between breakfast, lunch, and dinner is not reimbursable.

### 3.3 Overtime Meals

Employees are eligible for reimbursement of actual expenses for dinner when they work two hours of overtime during a weekday. On Saturdays, Sundays or holidays, employees are entitled to reimbursement of actual expenses for

a Lunch if they work 4 hours or more.
b Dinner if they work 7 hours or more.

Reimbursements cannot exceed the actual cost of the meal. There is no "reimbursement allowance" if a meal is not purchased.

### 3.4 Limits

Reimbursements for business meals incurred on day trips and for overtime meals will be based on actual and reasonable meal costs up to the following maximum amounts:

Breakfast $10 (day trips only)
Lunch $20
Dinner $40

### 3.5 Authority- Provided Meals

Whenever the Authority pays directly for a meal, the employee is not entitled to a meal payment. This provision also pertains to arrangements made by certain operating plants, with local restaurants, that provide a meal to an employee through the issuance of a "meal ticket". The cost of a meal obtained by a meal ticket should be within reasonable limits as determined by the Site Regional Manager. Meal tickets can only be used by the employee to whom it was issued and only on the day overtime is worked.

### 3.6 Business Meals

Business meals will be reimbursed when the meal is provided as a "working meal" during a meeting (on or off the premises) for the convenience of the Authority and for the efficient conduct of business. In all cases of business meals, the senior employee in attendance should pay the bill and file the expense report. All reimbursement requests require the approval of the employee's supervisor/manager or business unit head before processing for payment.

#### 3.6.1 Meals with business guests

Employees will be reimbursed for the actual and reasonable cost of meals, up to $70 per person, with business guests (i.e. non-Authority employees) on or off the Authority's premises when the meal is approved by a vice president or equivalent or higher position. The nature of business discussed, as well as the name, title, and affiliation of each business guest, must be documented on the employee's expense statement.
The senior NYPA employee in attendance should pay the bill and file an expense report for reimbursement.
If the business meal is with an outside vendor and/or 3rd party contractor, the outside vendor and/or 3rd party contractor should **not** be permitted to pay the bill.

#### 3.6.2 Authority Employees Only

In situations where it is necessary for the efficient conduct of business, employees will be reimbursed for the cost of an on-premises meal (breakfast or lunch only) with other Authority employees up to $30 per person, in connection with a working meeting or conference. Reimbursement of off-premises meals where only Authority employees are present will be permitted only when deemed appropriate for business purposes and authorized in writing by a vice president or equivalent or higher position. The cost of such meals should not exceed $70 per person. The senior NYPA employee in attendance should pay the bill and file an expense report for reimbursement.

### 3.7 Extended Assignments

Employees who work on an extended assignment (i.e. assignments for more than three months but less than one year) at a location other than their assigned work location may elect to receive: (1) reimbursement of actual and reasonable meal and lodging expenses or (2) a daily per diem, based on IRS guidelines, covering meals, lodging and incidental expenses (e.g., laundry, tips, etc.) Per Diem arrangements must be approved by the appropriate business unit head and the Vice President and Controller. Amounts will be set by the Director - General Accounting & Financial Reporting (or his designee) based on Federal guidelines.

### 3.8 Non-Reimbursable Meal Expenses

#### 3.8.1 Excessive Meal Expenses

While the Authority expects its employees to have good meals at reasonably priced restaurants when traveling, and to conduct business in comfort, it also expects its employees to exercise good judgment. Accordingly, charges exceeding limits established by this policy will be considered personal expenses and will not be reimbursed.

#### 3.8.2 Personal Meals

Meals in connection with retirement, farewells, birthdays, holidays and similar events are considered personal and will not be reimbursed.

## 4.0 Taxability

Meal reimbursements that are not associated with overnight travel are generally considered taxable income under IRS regulations, and are therefore subject to withholding of social security and income taxes unless such payments are classified as de minimus by the Vice President – Controller's office. Taxable meal reimbursements include those associated with day trips and overtime. Reimbursements for working meals during meetings (Section 3.6) are not subject to taxes.

## 5.0 Responsibilities

### 5.1 Employee

Employees have primary responsibility for ensuring that meal expenses are necessary and reasonable, fully - documented as to business purpose, supported by receipts, properly submitted on the appropriate form, accurately coded in the proper account, and otherwise in compliance with the provisions of this policy. Employees should also exercise sound business judgment and common sense whenever they incur expenses to be paid by the Authority.

### 5.2 Approving Supervisors and Managers

Approving supervisors and managers are responsible for ensuring that their employees understand the content and intent of this policy before expenses are incurred and that the provisions of this policy are met. Supervisors must ensure that Authority funds are spent wisely and carefully, that their employees have submitted appropriate, reasonable and prudent expenses and that all expenses, except as noted otherwise, are submitted on expense reports. In addition, they are responsible for ensuring that their employees seek cost-effective solutions to situations/needs, carefully reviewing their employees' expense reports and confirming that coding for expenses, to be reimbursed, is accurate.

### 5.3 Site Manager of Business Services
### Headquarters Accounts Payable Manager

The Site Manager of Business Services, at the operating plants, and the Accounts Payable Manager, at the Headquarters Office, are responsible for implementing and administering this policy at their respective locations. This responsibility includes ensuring their staff properly reviews, processes, and retains all reimbursement requests received.

### 5.4 Headquarters Accounts Payable Manager and Headquarters Payroll Manager

The Headquarters Accounts Payable Manager and Headquarters Payroll Manager are jointly responsible for ensuring that meal reimbursements are properly included in the employee's paycheck (i.e. by separate check or direct deposit), taxable reimbursements are reported on the employees W-2 Wage and Tax Statement and social security and income taxes are withheld.

### 5.5 Director - General Accounting & Financial Reporting

The Director-General Accounting & Financial Reporting or his authorized designee is responsible for overall implementation, administration, and maintenance of this policy on a company-wide basis.

### 5.6 Vice President - Controller

The Vice President - Controller must approve any deviations from this policy.

**6.0** **References**

**6.1.1** Agreement between the Power Authority of the State of New York and Local Unions 2032 and 2104 of the International Brotherhood of Electrical Workers IBEW, AFL-CIO, 2006-2011, as amended or superseded from time to time.

**6.1.2** Agreement between the Power Authority of the State of New York and Local Union 1-2 of the Utility Workers Union of America (UWUA), AFL-CIO, 2004 - 2009, as amended or superseded from time to time.

**6.2** CAP 1.7 Corporate Travel Card Program.

**6.3** CAP 7.4 Processing Overtime Meal Payments

**6.4** CAP 4.1 Petty Cash

**6.5** Credit Card Procurement System Policy & Procedures (Rev. 11/08)

**6.6** Travel Hand Book, NYPA Power net website, Travel Desk section.

Thomas Concadore

Vice President-Controller

**SUBJECT: TRAVEL**

## 1.0 SCOPE

This policy establishes guidelines for business travel arrangements and travel expense reimbursements.

## 2.0 IMPLEMENTATION

This policy shall be adhered to by the staff of all Authority Business Units and Departments, and contractors/consultants doing business on behalf of the Authority. Recommendations for changes to this policy or a new corporate policy shall be processed in accordance with CP 1-1 "Corporate Policy Program Administration".

## 3.0 MANAGEMENT CONTROLS

### 3.1 General

3.1.1 Employees must use Power Business Travel, (the Corporate Travel Desk), for air, hotel and car rental arrangements in order to be reimbursed for business travel expenses.

Contractors/consultants, doing business on behalf of the Authority, must use Power Business Travel for all air, hotel and car rental arrangements in order to be reimbursed for approved business travel expenses.

3.1.2 The Travel Desk will make the most cost effective arrangements that meet the traveler's needs. Exceptions or changes to Travel Desk recommended arrangements must be approved by the traveler's Business Unit/Department Head.

3.1.3 Travel associated invoices must be submitted with expense statements for reimbursement.

3.1.4 In the event that emergency travel arrangements are made by the traveler, written explanation of the circumstances must be provided to the Travel Desk, which will produce an invoice to be submitted with the expense statement.

3.1.5 Every effort will be made to meet the traveler's needs while taking advantage of New York State contracted or "economy/advance purchase" airfares, "government" or "corporate/seminar" lodging rates and "negotiated" or "discount" rates for vehicle rental.

3.1.6 Tax exempt forms should always be used to prevent state and local taxes from being added to hotel or car rental bills whenever employees or contractors/consultants are traveling for Authority business in New York State, since New York taxes will not be reimbursed.

3.1.7 The Travel Desk will make the most cost effective arrangements for out-of-office meetings, seminars and training sessions, and must be used to book the rooms and facilities required for these types of events.

3.1.8 The Travel Desk will optimize cost savings and minimize trip times by scheduling/assigning the company plane and arranging charter flights as appropriate. (See sections 3.8 and 3.9)

3.1.9 Whenever possible, employees should use fleet vehicles, which will be maintained at all sites, to secure ground transportation for business purposes; however, employees are expected to use alternate means, including personal vehicles, if fleet vehicles are not available. To request a fleet car, the traveler should go to the Authority's intranet page and follow the instructions.

3.1.10 Expenses incurred for meals while traveling will be reimbursed according to the Corporate Accounting Policy (CAP) 1.5, Reimbursement of Employee Meal Costs.

3.1.11 Any exceptions to this travel policy must be approved by the Director of Corporate Support Services and Senior Vice President (SVP) Corporate Support Services.

## 3.2 Responsibilities

3.2.1 The manager authorized to approve an employee's or contractor's/consultant's Expense Statement must ensure that the traveler has complied with the provisions of this policy.

3.2.2 Travelers are responsible for compliance with this Corporate Policy and also for verification that all travel arrangements are correct.

3.2.3 The Director of Corporate Support Services and the SVP Corporate Support Services implement this policy and determine appropriate revisions.

## 3.3 Travel Arrangements

3.3.1 Employees and contractors/consultants must book all business travel through the Travel Desk. The Travel Coordinator will book the most cost effective and time efficient travel for the trip.

3.3.2 If the traveler requests a different itinerary than provided by the Travel Desk, then the traveler must obtain approval from the appropriate manager or Departmental designee. The email with the approval should be forwarded to the Travel Desk before tickets are issued. All approved exceptions will be maintained in Travel Desk files.

3.3.3 Employees and contractors/consultants should make travel requests as far in advance as possible, so that the Travel Coordinator may obtain the lowest airfares and hotel rates. The travel request should include preferred time and departure airport, location and dates of meetings/accommodations, etc.

3.3.4 Every effort will be made to secure alternatives that meet both the traveler's preferences and this policy. The Travel Coordinator will notify the traveler if preferred routings, departure times, or hotel accommodations are not available or if preferred airlines or airports or hotel accommodations are not the most reasonable and lowest-cost alternatives. New York State Office of General Services (OGS) or Authority negotiated discount fares will always take precedence over whatever airline or routing that the passenger prefers.

3.3.5 The Authority allows travelers to participate in and keep the benefits of "frequent flyer" and other mileage/usage related programs. However, required business travel will not be arranged to meet any particular program requirements, unless program pricing is equal to or less than competing alternatives.

3.3.6 If the employee is traveling on Authority business outside the U.S., the employee may need a valid passport. If the employee needs to acquire or renew his U.S. Passport to conduct Authority business, then the Authority will reimburse the employee for that expense.

## 3.4 Reimbursement

3.4.1 Business air or train travel will be charged by the Travel Desk to a centralized Citibank VISA account that will be reconciled by Accounting staff. Air and/or train travel for Authority business will not be expensed by the individual traveler.

3.4.2 Employee travel expenses, other than air or train tickets, are reimbursed through the Employee Expense Statement (hard copy or electronic, whichever applies). The employee submitting an expense statement is responsible for its accuracy and completeness. Additionally, the signature or electronic approval of the employee's supervisor, manager, director (or higher) indicates that the expense statement is complete, meets documentation and receipt requirements, includes only reasonable business expenses and is in compliance with this policy.

3.4.3 Travel invoices issued by the Travel Desk in response to a traveler's requested trip arrangements must be attached to the expense statement to ensure reimbursement of approved business expenses.

3.4.4 Travelers will not be reimbursed for any travel expenses not in compliance with this policy.

## 3.5 Air Transportation

3.5.1 The Travel Coordinator will seek to provide economical airfares which could include a one-stop flight or a connecting flight with a layover of two hours or less. Travelers should be ready to accept alternative reservations established within a two hour "window" of their requested departure times in order to achieve fare savings.

3.5.2 A commercial aircraft must be multi-engine turbine powered with two (2) pilots flying the trip.

3.5.3 All business travel of less than 2500 one-way air miles will be booked in "coach". If a business traveler has one way flight time exceeding 7 hours to their destination, the traveler can depart a day earlier so that he/she can be rested for the next day's activity. If a business traveler has one way flights that exceed 2500 air miles, business class may be booked instead of coach upon the approval of the Senior Vice President, Corporate Support Services.

3.5.4 If a New York State Office of General Services (OGS) negotiated fare is available for a traveler's proposed trip, then that fare will be used as long as it fits the requirements of provision 3.5.1. If an "incentive" or "special" fare is also available for the same city-pair, then that roundtrip fare may be used if the savings is more than $200 over the OGS roundtrip fare. Any other exception must be approved by the traveler's supervisor.

3.5.5 "Special fares" frequently provide substantial fare savings, but may carry up to a 100% charge for changes or cancellations. These fares can be very economical, but they have scheduling drawbacks, and should be used with caution. If these fares are booked and a change or cancellation is required due to legitimate business circumstances, the Authority will absorb the expense and charge the employee's cost center.

3.5.6 Employees may use a transportation differential of up to $200.00 (roundtrip) to choose between trips originating from the New York City airports, i.e., LaGuardia, JFK and Newark, and from Westchester County Airport or Newburgh/Stewart Airport. For example, if a roundtrip originating from Newburgh/Stewart costs over $200.00 more than the same trip from Newark, then the employee's trip will be booked from Newark unless an approval of the exception is sent by the individual who signs off on the employee's expense statement or the employee agrees to pay the amount in excess of $200.00

3.5.7 Ground transportation to/from airports should be as reasonable as possible, given employee's individual travel situations. The Travel Desk will assist employees in choosing among the airport transit options most suitable for them. Car service is expensive and should be a last resort to get to the airport. Preferred car service providers, who provide cost-effective rates for Authority travelers, are listed on the Travel Desk's website. The use of the employee's personal car will be reimbursable in accordance with the Authority's "Business Mileage Rate for Transportation" which conforms to the IRS guidelines.

## 3.6 Hotel Reservations

3.6.1 The Travel Coordinator at the Travel Desk will always attempt to secure the lowest available rates for hotel accommodations, whether at "government", "corporate/seminar", "negotiated discount" or other special rates. The federal reimbursement rate for that location, as referenced in the U.S. General Services Administration's Domestic Per Diem Rates, will be used as a guideline.

3.6.2 It is the policy of the Travel Desk to book overnight stays in hotels that provide a "government rate", unless no such suitable accommodation is available. The Travel Coordinator will indicate a choice of median-rated hotel accommodations within reasonable proximity to the employee's meeting/business location, in order to provide the most economical rates available for the employee. For conferences, reservations will be made in the hotel where the conference is being held, provided that those accommodations are in accordance with this policy. If an employee prefers to stay at a hotel with no government rate, when, in fact, a government rate is available at a nearby hotel, the reimbursement will cover only the amount of the declined government rate. All exceptions will be reported to Accounts Payable by the Travel Desk staff.

3.6.3 Unless otherwise requested, hotel accommodations for late arrivals will be automatically guaranteed to the traveler's credit card.

3.6.4 When canceling a hotel reservation, the Travel Coordinator will give the traveler a cancellation code which should be retained in the traveler's files. If cancellations are called in directly to the hotel, then the caller should notify the Travel Desk of the cancellation number, the name of the individual who accepted the cancellation, and the date and time of the cancellation. Please note that this information is necessary if the hotel mistakenly charges the traveler a "no-show" expense (usually the cost of one night's lodging).

## 3.7 Car Rentals

3.7.1 The Travel Coordinator will secure car reservations using the Authority's contract vendors.

3.7.2 The Travel Coordinators will always request the lowest (most fuel-efficient) car class size suitable for the business purposes. When fewer than three employees are traveling together, an intermediate-sized car or smaller will be booked unless there are compelling business related reasons that call for a larger vehicle.

3.7.3 Employees travelling for business should use their Corporate Credit Cards for car rental transactions since the credit card is providing collision damage coverage through a separate agreement with the Authority. A traveler will NOT be reimbursed for collision damage insurance on a car rental.

3.7.4 Liability Insurance Supplement (LIS) and Personal Accident Insurance (PAI)/Personal Effects Coverage (PEC) will be offered by most car rental agencies. PAI allows renters to elect accidental death and blanket medical coverage for themselves and their passengers, while PEC provides insurance for loss of or damage to a customer's personal effects during the rental period. These extra insurances, e.g., LIS, PAI, and PEC will NOT be reimbursed by the Authority.

3.7.5 The completed car rental agreement with the receipt for payment must be attached to the traveler's expense statement submitted for reimbursement.

3.7.6 All rental vehicle accidents must be immediately reported to the Authority's Insurance Department using appropriate forms.

3.7.7 Travelers should attempt to minimize rental costs. Cars picked up at one location should be returned to the same location whenever possible to avoid incurring mileage and drop-off charges. To avoid contract vendor fill-up charges, employees should return cars with a full tank of gas.

3.7.8 Transportation to/from airports to the office/hotel by van or bus service is encouraged. Many hotels/conferences offer a complimentary transport service. The Travel Desk can often provide advance information on such services, and assist in arranging for their use.

## 3.8 Corporate Airplane

3.8.1 Flight Operations will reserve the corporate airplane on a first-come, first-serve basis for personnel on Authority related business.

3.8.2 Each flight on the corporate airplane must be to and from destinations within New York State. Use of the corporate airplane should be the cost-effective choice when compared to commercial flights plus hotel lodging, car rentals, and employee lost productivity. This cost comparison is done through the use of Travel$ense, a software program designed to compare the cost of travel via business aircraft versus airlines or other alternate means. If the Travel$ense analysis indicates a trip is not a cost-effective use of the corporate airplane, Flight Operations, in conjunction with the Travel Desk, will recommend other travel alternatives. Approvals are subject to the terms of Section 3.1.11. Travel$ense reports are kept by Flight Operations for all Authority flights conducted on the corporate airplane detailing the cost savings associated with each trip.

3.8.3 The corporate airplane cannot be used solely to transport members of the Board of Trustees to and from board meetings. Trustees performing Authority related work, or for government purposes, may travel on the corporate airplane only on trips which have already been scheduled for other Authority employees and which result in no additional cost to the Authority.

3.8.4 Requests for use of the corporate airplane are made through the intranet-based NYPA Aircraft Reservation System, hosted by Professional Flight Management. Select individuals are granted access to the site, and act on behalf of their Business Unit head, and the Business Unit travelers, to submit all appropriate requests to Flight Operations. These requests are then processed and scheduled by the company pilots, and a notice of trip status is then sent to all passengers via email. All changes to trip requests are made through the same process. To gain access to the intranet-version of the company airplane reservation system, a written request should be made to the Director, Aviation and Travel Operations. The basis for the request should be indicated, e.g. that he/she is replacing someone who has current access or showing that the group he/she represents is a frequent user of the corporate airplane, and has been approved by the Business Unit head to act on their behalf as a designated scheduler. The Director, Aviation and Travel Operations will then ensure that these individuals are granted access to the reservation system, which includes the corporate airplane's 90 day extended schedule.

3.8.5 Consultants or contractors, performing Authority related work, may utilize the corporate airplane provided that this trip results in no additional cost to the Authority.

The Chairman of the Board of Trustees or the President and Chief Executive Officer may authorize:

(1) Non-Authority employees to accompany an Authority employee on the corporate plane for governmental purposes; or
(2) Federal, State or Local Government officials to utilize the corporate airplane for government purposes.

All non-Authority travelers will be required to sign a written waiver of any claim or liability against the Authority arising out of such use.

3.8.6 The cost of the corporate airplane is not charged back to the employees' budgets, but is budgeted as a corporate resource for all Business Units of the Authority.

3.8.7 If the corporate airplane is unexpectedly unable to fly a scheduled trip, then other means of travel will be arranged for those booked. -If the other means of travel, due to special conditions, is a charter plane, then the cost of the charter will in most cases be charged back to the appropriate departmental budget(s).

## 3.9 Charters

3.9.1 The Travel Desk is responsible for arranging aircraft charters. If the Authority's corporate airplane is unable to do a trip for the business group and commercial flights are not available or cost justified, then charter prices may be sought from those vendors with contracts with the Authority to provide charter aircraft. The aircraft most closely meeting the needs of the business group and with the most cost effective pricing will be booked to satisfy extreme travel circumstances.

A charter aircraft must be multi-engine turbine powered with 2 pilots flying the trip. The pilots must meet the Authority's minimum standards for its own pilots.

3.9.2 The request for a charter aircraft must be approved by the President and Chief Executive Officer before committing to the charter provider. In the case of the President and Chief Executive Officer's request for a charter aircraft, the Senior Vice President Corporate Support Services, the General Counsel and the Chairman must approve the trip.

3.9.3 To finalize the transaction, the business group must provide the appropriate Authority cost center code and the cost element to the Travel Desk, so that the cost can be charged back to the departmental budget.

3.9.4 The charter trip will be scheduled as an additional trip on the corporate plane schedule, viewable on the Authority's intranet, so that the Authority's pilots and other users are aware of it. In this way, available seats might be filled with other travelers.

3.9.5 If there is a concern over the possibility of an emergency need for the corporate airplane, the charter plane may be kept reserved until 24 hours before the trip and then released. If the corporate airplane becomes available by the close of business on the day before the scheduled trip, it should be the preferred aircraft, replacing the charter.

3.9.6 Charters usually have cancellation penalty clauses that are substantial. Any arrangements must include the business group representative's agreement to pay the cancellation fees which may be imposed.

## 3.10 Meetings/Seminars/Training Sessions

3.10.1 Authority events such as meetings, seminars, and training sessions that are held out of the office must be reviewed by the Travel Desk.

All hotel accommodations must be booked for these events through the Travel Desk to ensure rate policy compliance. Employees should send written proposals to the Travel Desk in a timely fashion for review and scheduling. Only hotel rooms and meeting facilities will be reviewed and booked by Travel Desk personnel. Food requirements, meeting set-up, etc. are the responsibility of the respective Business Unit.

Plans for group business luncheons or dinners for 50 people or less, may be made by the appointed person from within the Business Unit or department sponsoring the event. The cost of all such luncheons or dinners must be kept within the limits of the reimbursement policy covering Off Premises Meals.

3.10.2 Events estimated to exceed $15,000 will be submitted to Procurement for advertising in the Contract Reporter. Procurement will issue a bidding document to interested parties. Travel Desk staff and the requesting group's representative(s) will review the bids and select the most appropriate and cost-effective provider.

Events in the $5,000 to $14,999 range will be researched by the Travel Desk staff who will recommend a vendor to Procurement for contract execution.

3.10.3 When the cost and details of the conference room(s), refreshments, and other amenities from the hotel, restaurant or conference center have been agreed upon, the designated business group representative should sign the contract from the vendor. After the event, the requestor is responsible for reviewing, entering budget codes and sending the subsequent bill for services in a timely manner to Accounts Payable for issuance of the payment.

3.10.4 Outside meeting arrangements generally include cancellation clauses. Please note that any arrangement must include the requesting business group representative's agreement to pay any cancellation fees involved.

## 3.11 Cancellation/Revisions

3.11.1 The Travel Coordinator should be immediately advised of any cancellations – air, hotel, car, etc. Failure to do so could result in penalties on airfares and no-show charges for hotels and cars. Please note that any Authority incurred avoidable charges will be billed to the business group's appropriate responsibility code/cost element if not properly cancelled.

3.11.2 Except in emergency situations, any revisions to an employee's itinerary must be made by the Travel Desk. Charges for emergency measures must be supported by appropriate documentation from vendors.

## 3.12 Contractor Travel

3.12.1 Contractors **must** make all travel arrangements through the Travel Desk. Travel arrangements made through outside travel agencies are only reimbursable in accordance with current Authority negotiated or government rates.

3.12.2 A complete Contractor Travel Profile form must be on file for each contractor prior to requesting travel services from the Travel Desk. The contractor's Authority manager will request Accounts Payable staff to assign an Authority Contractor Number for each contractor who will be traveling. The number is then added to the Contractor Travel Profile before it is forwarded to the Travel Desk.

3.12.3 All Contractor Travel requests must have the contractor's Authority manager's approval prior to submission to the Travel Desk.

3.12.4 The maximum amount of reimbursable airfare should not exceed the cost of round trip government airfare between the appropriate Authority facility and the location of the contractor's preapproved point of origin, unless otherwise authorized by the appropriate Authority Business Unit head or designee.

3.12.5 The Travel Desk will issue itineraries for all travel arrangements made for contractors. A copy of these itineraries will be sent via email to the contractor and the appropriate Authority manager. A copy of a contractor's Authority travel itinerary and associated receipts, excluding meals, must be attached to vendor's invoice.

3.12.6 The Authority Meal Policy must be adhered to by contractors at all times. Meal expenses which do not conform to this policy are not reimbursable. Meals shall be paid on a per diem based on the schedule listed below. Meal receipts are not required.

3.12.7 The Authority's N.Y. State Sales Tax Exemption forms must always be used for hotel and car expenses incurred within New York State. Sales tax charged for these services within New York State are not reimbursable.

3.12.8 Contractors/consultants will use their personal credit cards for car rental transactions.

3.12.9 Additional fees, such as auto insurance, road side assistance on car rentals, will not be reimbursed. Upgrades to larger size or luxury vehicles are also not reimbursable. Miscellaneous expenses, such as tips, fees for use of hotel gym/ fitness rooms, medications, toiletries, snacks, magazines, newspapers, etc. are personal and will not be reimbursed.

3.12.10 The Travel Desk must be advised immediately of any cancellations. Failure to do so may result in penalties or no show charges which are not reimbursable.

3.12.11 Authority managers will review all contractor travel expense invoices to ensure compliance with this policy.

## 4.0 REFERENCES

**4.1** CP 1-1 – Corporate Policy Program Administration
**4.2** CAP 1.5 – Reimbursement of Employee Meal Costs
**4.3** Corporate Flight Operations Manual

## 5.0 ATTACHMENTS

**5.1** Power Business Travel Invoice
**5.2** NYS Sales Tax Exemption Certificate
**5.3** NYS Hotel Tax Exemption Certificate

**President and Chief Executive Officer**

Attachment 5.1

NYPA Power Business TRAVEL NewYorkPower Authority

```
SALES PERSON: 95          ITINERARY/INVOICE NO. 0008112          DATE: 29 OCT 04
CUSTOMER NBR: 0000171200                          HMTZOZ         PAGE: 01

       TO: NY POWER AUTHORITY
           123 MAIN ST  628D
           WHITE PLAINS NY 10601
           ATTN


FOR:                            REF:


02 NOV 04  -  TUESDAY
   AIR    US AIRWAYS              FLT:4079   COACH CLASS
          OPERATED BY US AIRWAYS EXPRESS-PIEDMONT AIRLINES
          LV NEW YORK LGA                    600P            EQP: DASH 8 TPROP
          DEPART: USAIRWAYS LA GUARDIA TERM                  01HR 49MIN
          AR BUFFALO                         749P            NON-STOP
                                                             REF: CFTYNP
                                SEAT- 7D   US-1439360
   CAR    BUFFALO                   BUDGET RENT A CAR        INTER CAR AUTO A/C
          PICK UP-1949
          RETURN-03NOV/1915
          RATE PLAN  1 DAYS  0 HRS             USD     MI/KM   EX MI/KM
          DAILY RATE                          42.50     UNL
          XTRA DAY-                           42.50     UNL
          XTRA HOUR-                          14.18     UNL
          MANDATORY CHARGES                    5.53
          APPROX RENTAL COST                  48.03     UNL
          CONFIRMATION NUMBER       06103994US1            RATE-GUARANTEED
          CD-X909800                ID-HA681D
   HOTEL  BUFFALO                             OUT-03NOV
          HOLIDAY INN                         1 NIGHT
          HOLIDAY INN NIAGARA FALLS           1 ROOM
          231 THIRD ST                        RATE-89.00USD PER NIGHT
          NIAGARA FALLS NY 14303              CANCEL BY 06P DAY OF ARRIVAL
          FONE 716-282-2211
          FAX  716-282-2748
          GUARANTEED LATE ARRIVAL
          CONFIRMATION 65551388

03 NOV 04  -  WEDNESDAY
   AIR    US AIRWAYS              FLT:3998   COACH CLASS
          OPERATED BY US AIRWAYS EXPRESS-PIEDMONT AIRLINES
          LV BUFFALO                         715P            EQP: DASH 8 TPROP
                                                             01HR 45MIN
          AR NEW YORK LGA                    900P            NON-STOP
          ARRIVE: USAIRWAYS LA GUARDIA TERM                  REF: CFTYNP
                                SEAT- 6C   US-1439360
```

CONTINUED ON PAGE 2

Attachment 5.1 Continued

NYPA Power Business TRAVEL NewYorkPower Authority

SALES PERSON: 95 ITINERARY/INVOICE NO. 0008112 DATE: 29 OCT 04
CUSTOMER NBR: 0000171800 HMTZOZ PAGE: 02

TO: NY POWER AUTHORITY
123 MAIN ST 628D
WHITE PLAINS NY 10601
ATTN :

FOR: REF: 12165

AIR TICKET US1100908793
ELEC TKT

| | |
|---|---|
| BILLED TO VISA | 331.20* |
| SUB TOTAL | 331.20 |
| NET CC BILLING | 331.20* |
| TOTAL AMOUNT DUE | 0.00 |

***TO CHANGE OR CANCEL RESERVATIONS***
PLEASE CALL POWER BUSINESS TRAVEL AT 914-287-3191
DURING 8A-5P MON-FRI EXCEPT HOLIDAYS
IF ITS AN EMERGENCY HIT ZERO POUND
FOR AFTER HOURS *EMERGENCY ONLY* CALL 800-390-6474
PLEASE BE SURE TO BRING POSITIVE PHOTO IDENTIFICATION
IF YOU DO **NOT** USE ANY PART OF YOUR ETKT YOU MUST
NOTIFY THE TRAVEL DESK TO PROCESS A REFUND
FOR THE UNUSED PORTIONS OF YOUR TICKET
YOUR RECORD LOCATOR FOR THIS RESERVATION IS *CFTYNP

Attachment 5.2

For use only by Representatives or Employees of Departments or Agencies of the State of New York

TO: **NEW YORK STATE SALES TAX BUREAU**

**#131850882**
**EXEMPTION CERTIFICATE**
**TAXES IMPOSED PURSUANT TO ARTICLES 28 AND 29 OF THE TAX LAW**

_____ DATE _____ 20____
NAME OF PERSON OR FIRM FURNISHING SERVICES

_____
ADDRESS

This is to certify that I, the undersigned, am a representative or employee of the New York State Department or Agency indicated below; that the charges for the transaction on the date set forth below have been or will be paid for by such department or agency; and that such charges are incurred in the performance of my official duties as such representative or employee.

NATURE OF TRANSACTIONS _____

DATES OF TRANSACTIONS _____ _____
SIGNATURE OF REPRESENTATIVE OR EMPLOYEE

NEW YORK STATE DEPT.
OR AGENCY NEW YORK POWER AUTHORITY _____
TITLE

NOTE: A separate exemption certificate is required for each transaction and from each person claiming exemption

Attachment 5.3

TAX EXEMPT ID# 131850882

New York State Department of Taxation and Finance

# Exemption Certificate

Tax on occupancy of hotel rooms

**ST-129**
(10/00)

**This form may only be used by government employees of the United States, New York State, or political subdivisions of New York State.**

| Name of hotel, motel, lodging house, etc. | | | | Dates of occupancy<br>From: / / To: / / |
|---|---|---|---|---|
| Number and street | City, village, or post office | State | ZIP code | Country |

*This is to certify that I, the undersigned, am a representative of the department, agency, or instrumentality of New York State, the United States government, or the political subdivision of New York State indicated below; that the charges for the occupancy at the above establishment on the dates listed have been or will be paid for by that governmental entity; and that these charges are incurred in the performance of my official duties as a representative or employee of that governmental entity.*

| Governmental entity *(federal, state, or local)* | Agency, department, or division |
|---|---|
| New York Power Authority | |

| Employee name *(print or type)* | Employee title | Employee signature | Date |
|---|---|---|---|
| | | | / / |

## Instructions for the government representative or employee

If you are on official New York State or federal government business and staying in a hotel or motel:

1. Complete all information requested in the box above.
2. Sign and date this exemption certificate in the box above.
3. Show the operator of the hotel or motel your appropriate and satisfactory identification.
4. Give this completed Form ST-129 to the operator of the establishment.

You may pay your hotel bill with cash, with a personal check or personal credit card, with a government voucher, or with a government credit card.

**Please note:**

- If, while on official business, you stay at more than one location, you must complete an exemption certificate for each establishment.
- If you are in a group traveling on official business and staying in this particular hotel, each person must complete a separate exemption certificate and give it to the hotel operator.

**Caution:** Willfully issuing a false or fraudulent certificate with the intent to evade tax is a misdemeanor under section 1817(m) of the Tax Law and section 210.45 of the Penal Law, punishable by a fine of up to $10,000.

## Instructions for the operator of the hotel or motel

Keep this completed Form ST-129, *Exemption Certificate*, as evidence of exempt occupancy by New York State and federal government employees who are on official business and staying at your establishment. You must keep this exemption certificate for at least three years after the later of: 1) the due date of the last sales tax return to which this exemption certificate applies; **or** 2) the date when you filed the return.

This exemption certificate is valid if the government employee is paying with:

- Cash.
- A personal check or personal credit card.
- A government voucher.
- A government credit card.

**Do not accept this certificate unless the representative or employee presenting it shows appropriate and satisfactory identification.**

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

| Revision Date | Revision | Description/Modification | Author |
|---|---|---|---|
| 12/01/2014 | 0 | Converting to new format. There were 11 prior revisions of this Policy | Barbara Coles |

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

## 1 PURPOSE AND SCOPE

The goal of the job posting policy is to ensure that employees are made aware of and have the opportunity to apply for open Full-time, Part-time and Provisional salaried positions either before or concurrent with the Authority's consideration of external candidates for employment. However, there may be exceptions to this process, for example, if a qualified internal candidate or temporary employee from the hiring department or Business Unit has been identified. Under such circumstances, authorization must be obtained in writing from the Senior Vice President of Enterprise Shared Services or his/her designee, and the President and CEO.

## 2 APPLICABILITY

2.1 The job posting program makes information available to Authority employees, regarding Full-time, Part-time and Provisional salaried openings throughout the organization, including the requirements for each job.

2.2 The New York Power Authority considers all internal (with the exception of current members of the Board of Trustees) and external applicants for employment, in accordance with all applicable Federal, State and local laws governing non-discrimination in employment in every location in which it maintains offices or facilities. The Authority also provides reasonable accommodation to individuals with a disability in accordance with applicable law.

## 3 INITIALISMS (ACRONYMS) AND DEFINITIONS

Relatives - Refers to spouse, domestic partner, parents, children, sisters, brothers, sisters-in-law, brothers-in-law, parents-in-law, sons/daughters-in-law, aunts, uncles, nieces, nephews, cousins, and grandparents by blood relationship or by marriage or family members residing in the same household.

## 4 RESPONSIBILITY

Responsibility and oversight of this policy resides with the approver unless otherwise noted here in.

## 5 POLICY IMPLEMENTATION

### 5.1 Job Posting

5.1.1 To be eligible to apply for a posted position an applicant must:

a) Meet the position requirements and qualifications stated in the Posting
b) Be capable of performing the essential functions of the job, with or

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

without reasonable accommodation;

c) Have a job performance that is acceptable within the guidelines of the Authority's prevailing performance management system;

d) Have been in their current position for at least 12 months.

5.1.2 Salaried vacancies below the senior management level are generally posted on the *Powernet* and the Authority's website (www.nypa.gov). If a qualified internal candidate or temporary employee from the hiring department or Business Unit has been identified, an exception may be made with the approval of the Senior Vice President of Enterprise Shared Services, or his/her designee, and the President and CEO.

5.1.3 Salaried positions covered under this policy, which are not expected to be filled within the work group, department or Business Unit, will be posted on the *Powernet* and the Authority's website for at least ten working days, however, external recruitment efforts may commence simultaneous with the posting.

5.1.4 All members of the Board of Trustees are prohibited from seeking paid employment at NYPA while serving on the Board of Trustees. All trustees shall sign a certification acknowledging their understanding and commitment to follow this requirement.

5.1.5 Offers of employment are contingent upon successful completion of pre-employment requirements, which include a comprehensive background investigation for all potential new hires and possible other candidate screening (i.e., aptitude test, drug screening, etc.) as the Authority deems appropriate.

5.1.6 Within three business days of employment, new employees must prove identity and eligibility to work in the United States by providing original documents established as criteria by the Immigration and Reform Control Act to their HR representative. If an employee is unable to present the required documents within the 3 business days, they may not work or continue rendering services to the Authority.

## 5.2 Internal Job Application Process

5.2.1 During the posting period, interested employees can apply via the Powernet.

5.2.2 If an employee interviews for a position at another NYPA location, he/she may be

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

eligible for reimbursement for travel related expenses. If offered, and the employee accepts the position, he/she may be eligible for reimbursement of certain relocation costs. Employees should discuss these issues and options with their HR representative during the interview process.

5.2.3 Employees are encouraged to notify their supervisor when they are selected for an interview. However, employees are not expected to disclose that they are applying for a position if they are not selected for an interview. Employees being considered for a position should expect hiring managers to request and review performance information and evaluations while making a hiring decision and consult with an internal applicant's current supervisor.

5.2.4 Applying for an internal position does not guarantee an interview. Hiring managers will strive to interview those with the experience and qualifications that most closely match the requirements of the position. Internal candidates who are not selected will be notified.

5.2.5 Position transfer dates are determined in consultation with current supervisors. The business unit heads along with the managers of both the vacating and receiving departments must agree on a transfer date to ensure that such transfer occurs within four weeks after an offer has been accepted. The status of current work assignments and available back-up resources will be taken into consideration when determining the transfer date.

5.2.6 All changes in pay will be consistent with the guidelines established by the Compensation Program. The salary offered for the new position will be determined primarily based on the employee's qualifications for the new position and internal equity within the department or work group. Employees may choose to accept or decline offers without negative repercussions in their current position.

5.2.7 Special conditions may arise when an exception to this policy is appropriate. Under such circumstances, authorization must be obtained from the Senior Vice President of Enterprise Shared Services or his/her designee.

## 5.3 Employment of Employee Relatives

5.3.1 Disclosure of relationships required as follows:

a) Individuals seeking employment with the Authority must inform the

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

Authority's HR Representative, in writing, if they have a relative (as that term is defined below in 5.3.3) currently working at the Authority when applying for employment. The applicant must disclose the name of the relative, the familial relationship, title or position held by the employee, as well as the site or location at which the relative works.

b) Employees must inform their supervisor and the Vice President and Chief Ethics & Compliance Officer when a relative (as that term is defined below in 5.3.3) is transferred, demoted or promoted to a position where either the relative or the employee will have personnel decision related responsibilities, or supervisory responsibilities over their relative. The employee must disclose the name of the relative, the familial relationship, title and position held by the employee, as well as the site or location at which the relative works.

c) Employees must inform their supervisor and the Vice President and Chief Ethics & Compliance Officer when another employee becomes their relative (as that term is defined below in 5.3.3) and where either person will have personnel decision related responsibilities, or supervisory responsibilities over the other person. In such instances, both employees must disclose the name of the relative, the familial relationship, title and position, as well as the site or location at which they work.

5.3.2 Employees and trustees may not take part in any hiring or employment decision relating to their relatives. Relatives of active employees or trustees will not be employed on a permanent or temporary basis unless authorization is approved by the Senior Vice President of Enterprise Shared Services, or his/her designee, and the President and CEO. Such authorization may be granted under circumstances where the candidate is the most qualified for the position. The circumstances for which an authorization is sought must be in writing.

5.3.3 The Authority will not consider employment applications, promotions or transfers for individuals whose employment, promotion or transfer would result in a supervisory relationship between them and a relative (as defined in 5.3.3) or one where a conflict of interest may exist or later arise. Exceptions to these guidelines require authorization of the Senior Vice President of Enterprise Shared Services, or his/her designee, as well as the Vice President and Chief Ethics & Compliance Officer. Any such request must be in writing.

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

5.3.4 If current employees become relatives after starting employment with the Authority, then such relatives must not be in a direct line of supervision or have any personnel related responsibilities that could affect each other. In the event this occurs, the Authority may transfer the employee or take any other employment action necessary to eliminate the conflict of interest. Any questions concerning such change in status should be directed to the Authority's Vice President and Chief Ethics & Compliance Officer.

### 5.4 Prohibition against Consideration of Politics in Employment

5.4.1 The Authority expressly prohibits employees involved in recruiting, interviewing or hiring or making promotional, disciplinary or other employment decisions relating to NYPA employees, from asking any such applicant or employee to reveal: (a) the political party affiliation of the applicant; (b) whether the applicant has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the candidate voted for any elected official or candidate for elective office.

5.4.2 The provisions of paragraph 5.4.1 shall not apply to circumstances where such inquiry is necessary for the proper application of State law or approved state authority or New York State public authority rules, policies or practices (e.g., inquiring about party affiliation where State law limits the number of members of a State board who can be from the same party).

## 6 PENALTIES

Any employee who knowingly violates the provisions of this Policy will be subject to appropriate disciplinary action up to and including termination.

## 7 REFERENCES

N/A

## 8 POLICY REVIEW AND EXPIRATION

This policy will be reviewed on December 1, 2015

## 9 ATTACHMENTS

N/A

**PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED EP 0.0 DISCLAIMERS WHERE YOU WILL FIND A STATEMENT WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.**

Rocco Quinn

Acting Senior Vice-President, Enterpirse Shared Services

1/6/15

Date