



TREE FUND
Cultivating Innovation

TRUSTEE HANDBOOK SECTION SIX: OPERATING POLICIES (EMPLOYEE HANDBOOK)

Section One: Introduction

About TREE Fund

Tree Research and Education Endowment Fund (hereafter “TREE Fund”) is a 501(c) (3) non-profit organization established in 2002 and based in Naperville, Illinois. TREE Fund’s mission is to identify and fund projects and programs that advance knowledge in the field of arboriculture and urban forestry to benefit people, trees and the environment. TREE Fund is governed by a national Board of Trustees and managed by a President and Chief Executive Officer (hereafter “President/CEO”) hired by the Trustees to implement and manage their strategic vision.

About This Document

This document is intended to serve as a high level guideline, describing the basic personnel policies and practices ordinarily applied by TREE Fund, for use by employees, contractors and volunteers (including Trustees). It is not intended to create or be a contract of employment. TREE Fund reserves the right to make changes, from time to time, with or without notice, in the policies and practices described in this handbook. TREE Fund also reserves the right to implement operational policies that may provide more detailed information on topics covered in this handbook for use by the Board of Trustees and President/CEO in managing the overall organization. Moreover, because it is impossible to anticipate every situation that may arise, TREE Fund reserves its right to address a situation in a manner different from that described herein if, in TREE Fund’s discretion, the circumstances so warrant. If you have questions about the policies and procedures described in this Handbook, or suggestions for improvement, please see the President/CEO.

Section Two: General Policies

Equal Employment Opportunity

TREE Fund’s employment practices will be conducted without consideration of an individual’s race, color, religion, age, national origin, citizenship status (except as required by law), gender identity, sexual orientation, genetic information, physical or mental disability, veteran status, marital status, or other non-job related characteristics or any other category protected by

Federal, state or local law. Discrimination or harassment of a TREE Fund employee because said employee is either a member of or associated with a member of any group stated above is prohibited.

TREE Fund employees who violate this policy by discrimination or harassment will be subject to disciplinary action, up to and including termination of employment. Retaliation against an individual who has formally or informally complained about discrimination or has cooperated with an investigation of a discrimination or harassment complaint is prohibited. Any employee who believes that she/he or any other employee of TREE Fund has been discriminated against is strongly encouraged to report this concern promptly to the President/CEO.

Employment at Will

Employees of TREE Fund are employed at will, which means that they are not hired for any definite period of time and either they or TREE Fund may terminate the employment relationship at any time, with or without cause. The only exception to this rule would be an employee who, due to unusual circumstances, has been provided an employment contract for a particular length of time, which is in writing and signed by the President/CEO and the employee in question.

Harassment Policy

Harassment is verbal, written or physical conduct that degrades or shows enmity or antipathy toward an individual or creates a hostile work environment for any staff member, contractor or volunteer of TREE Fund. Sexual harassment may include unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature. Racial harassment may include unwelcome, verbal, physical or other behavior with negative racial connotations. All forms of harassment are strictly forbidden in TREE Fund offices and at all events and activities involving TREE Fund staff, contractors and volunteers.

Harassment can manifest itself in the following general ways:

- Verbal harassment including slurs, negative stereotyping, jokes, pranks, threatening, intimidating or hostile acts.
- Written harassment including unwelcome, denigrating or hostile correspondence, cartoons or other printed or hand-written material.
- Physical harassment including unwelcome touching, gestures, threatening, intimidating, hostile contact or impediment of movement.

Any TREE Fund employee who considers themselves to have been subject to discrimination or harassment in the workplace should inform the individual engaging in the behavior that they (the offended employee) considers the behavior to be improper and it must stop. A report of the offending behavior should be made to the President/CEO. If the President/CEO is the alleged offending employee, a report should be made to the Chairman of the Trustees' Governance Committee.

All complaints, whether written or verbal, will be investigated. If the investigation results in a determination that the allegations have merit, the offending party will be subject to discipline up to and including termination of employment from TREE Fund. TREE Fund will notify the complainant, the alleged harassing or discriminating party and any other involved person in writing of the outcome of the complaint. Complaints of harassment or discrimination will be kept confidential consistent with TREE Fund's need to conduct a thorough investigation

If TREE Fund determines an employee has intentionally filed a false charge of discrimination or harassment, that individual may be subject to discipline, up to and including termination.

Whistleblower Protection

Any employee who in good faith reports waste, fraud, or abuse will not be fired or otherwise retaliated against for making the report. The report will be investigated and even if determined not to be waste, fraud, or abuse, the individual making the report in good faith will not be subject to firing, demotion, suspension, harassment, failure to consider the employee for promotion, or any other kind of discrimination. Employees may report suspected waste, fraud and abuse in person, in writing, or via email to the President/CEO or Chairman of the TREE Fund Board of Trustees.

Section Three: Operating Policies

Conflicts of Interest

TREE Fund prohibits employment of any employee under circumstances that would create a conflict of interest, or appearance of a conflict of interest in connection with his/her employment by TREE Fund. This includes nepotism, where employees, contractors or volunteers receive undue benefit from their association with a TREE Fund employee or Trustee. All employees must avoid directly or indirectly participating in any arrangement, agreement, investment or other activity which could result in personal benefit to the employee or the employee's family members at the expense of TREE Fund. In addition, while TREE Fund encourages its employees to become involved in community activities during non-working hours, personal involvement in organizations which, or relationships with individuals who, may seek funding from TREE Fund, can present a conflict of interest, is discouraged and must be disclosed.

Outside Employment

Employees wishing to engage in other employment outside of TREE Fund must be sure that such employment will not constitute a real or apparent conflict of interest or competition with the mission and operational objectives of TREE Fund, nor involve such time demands that the employee would be less efficient in performing TREE Fund job duties. The President/CEO may direct employees to cease outside employment with due notice or terminate their position with TREE Fund should such conflicts become apparent.

Personal Tips and Gratuities

Soliciting or accepting personal tips, gratuities or other gifts from TREE Fund donors, or from any other entities under contract or otherwise in a position to benefit from TREE Fund, will constitute sufficient grounds for termination. Employees may accept unsolicited nominal tokens of appreciation (retail value less than \$20) or meals as part of their duties, so long as such no favors are offered nor expected in exchange for these tokens, and so long as the tokens are offered freely to others in similar circumstances and situations.

Drug, Alcohol and Smoke-Free Office

TREE Fund is a drug, alcohol and smoke-free workplace and will not tolerate the unlawful possession, use, manufacture, distribution, or dispensation of controlled substances, including tobacco and/or alcohol, in the workplace or during work time. Moreover, employees must come to work free from the influence of alcohol, illegal drugs, and unlawfully used prescription medications. Any employee who is convicted of a criminal drug statute violation must notify the President/CEO within five days of conviction. Any employee who violates this policy will be subject to disciplinary action, up to and including dismissal.

From time to time, TREE Fund may sponsor after-hours functions where alcohol is served. Moderate social consumption of alcohol, in these specific situations, is permissible upon completion of an employee's assigned tasks, and so long as it does not create real or perceived liabilities for TREE Fund, nor result in behavior that brings discredit to the organization.

Computers and Mobile Devices

TREE Fund employees must not use office computers or other mobile devices during work hours to access materials that exceed the bounds of generally accepted standards of good taste and professional ethics, including material that is discriminatory, defamatory, harassing, insulting, offensive, pornographic, or obscene. Engagement in any unlawful activities or any activities that would in any way bring discredit to TREE Fund via online devices is also prohibited. Any employee involved in the misuse of computer and mobile devices will be subject to discipline, up to and including termination.

The occasional use of office online access for necessary personal communication is allowable, but over-use and abuse of this flexibility will not be tolerated. TREE Fund employees' personal reputations outside of office hours have a direct bearing on the organization's own reputation, and care must be taken in using social media and other online applications to ensure that an employees' activities during and beyond work hours do not reflect poorly on TREE Fund.

All TREE Fund software will be used in accordance with its individual license agreement, and any unauthorized duplication of copyrighted software, except for backup and archival purposes, is a violation of law. Employees must also refrain from inappropriate use, plagiarizing, or replication of materials found online that may be original works of authorship in a tangible form of expression. These categories should be viewed quite broadly and include literary, dramatic, musical, artistic, audiovisual, and computer programs, as well as other intellectual works.

Section Four: Employment Terms

Employee Status

TREE Fund employees will be assigned to one of the following categories, with employee status clearly defined in the initial offer letter:

- Full-time Employees are those employees expected to work 30 or more hours per week. They are eligible for all benefits described in this handbook, so long as they meet the applicable eligibility requirements, such as length of service, and vesting rules.
- Part-time Employees are those employed to work 29 or fewer hours per week. They are eligible for only those benefits that they have been defined in writing by the President/CEO at the time of hire, or in subsequent written direction.
- Temporary Employees are those hired directly by TREE Fund with the understanding that their employment will not continue beyond a stated date or beyond completion of a specified project or projects; such temporary employment arrangements will not exceed one year in term. Temporary employees are not eligible for benefits.
- Independent Contractors are non-employees who are paid on a fee-for-service basis to perform certain specified services.
- Volunteers are those who provide services to TREE Fund without financial compensation, other than reimbursement of authorized expenses.

Employee Classification

Under the Fair Labor Standards Act, full-time, part-time and temporary employees will be hired under one of the following classifications:

- Exempt: these are salaried employees who do not receive overtime compensation, are not eligible for compensatory time, and whose work hours are not fixed; they are expected to take the time required each week to complete assigned duties.
- Non-Exempt: these are salaried or hourly employees who are paid one and one half their effective hourly wage for any time worked over 40 hours in a seven day week. Holidays and paid time off are not counted toward determining overtime pay.

Hours of Work

TREE Fund's office is open from 7:30am to 4:30pm most days. Staff members are expected to define their normal office hours upon hire with the President/CEO and maintain consistent work hours after doing so, though exempt employees have flexibility to work the hours required to complete assigned duties. If you will be absent or late to work for any reason and have not received advance permission for the absence, please notify the President/CEO before 8:00am to report your absence or lateness. Absence without notice for three consecutive days may be considered a voluntary termination. In cases of inclement weather that result in closure of Naperville schools, TREE Fund offices will be closed as well. Should employees feel that road conditions or other natural hazards present a threat to their health and safety, they may arrange to work from home with President/CEO approval on a day-to-day basis.

Payroll

Employees are paid semi-monthly on the 15th and the last day of the month. If the 15th or the last day of the month falls on a weekend, then paychecks or direct deposits will be available on the previous Friday. Federal and state law requires certain deductions be made via payroll, including Federal Income Tax, Social Security Tax, Medicare Tax, State and Local Income Tax (where applicable). Any statutory garnishments, attachments or payroll deductions ordered by a Court of Law are complied with by TREE Fund and handled via payroll processing.

Timesheets and Allocations

Employees are responsible for providing timesheets and allocations, as appropriate, in a timely fashion to support identified payroll processing deadlines. Timesheets are Company records, and care must be exercised in recording the hours worked, overtime hours, and absences. Non-exempt employees are responsible for completing and submitting timesheets to the President/CEO for approval. The President/CEO must also approve each overtime entry in advance of its accrual. Exempt employees do not report hours worked on an hourly basis and do not complete timesheets.

Prior to each payroll, all employees will provide a good faith percentage estimate on how their time was allocated between program/mission activities, fundraising activities or administrative activities during the pay period. Guidance will be provided on how different assignments should be allocated. Questions should be referred to the President/CEO.

Performance Reviews

The President/CEO will provide regular opportunities for real-time feedback with all employees, in both written and verbal formats. On an annual basis, the President/CEO and each employee will establish goals for the next year of employment, and will track performance against those goals. Documentation of ongoing performance assessment may be made by standardized or situational forms, e.g. letters of commendation or correction.

Compensation Changes

Changes to compensation (including bonuses) are at the President/CEO's discretion, based on a variety of factors, and may or may not occur on a strictly annual basis or immediately following any performance evaluation. All salaries are gross salaries, and are subject to mandatory and voluntary deductions. Bonuses, when paid, are a matter of discretion, not of right, and may or may not recur in the future.

Personnel Files

The President/CEO maintains personnel files for each employee, containing information relevant to the individual's employment at TREE Fund. All employee information is considered confidential. An employee may have access upon request to his or her own file, with the exception of references provided by previous employers.

Section Five: Employee Benefits

General Benefits Policy

TREE Fund reserves the right, at its discretion, to change the nature of the benefits offered to employees, or to change insurance carriers, deductibles, premiums, or other features of any benefit with reasonable notice.

Paid Holidays and Paid Time Off

In recognition of the importance of strong work and home life balance, TREE Fund provides employees with Paid Holidays and Paid Time Off (PTO).

TREE Fund offers 13 paid holidays per year for full-time employees. Part-time employees may receive paid holidays at President/CEO discretion, as defined in writing in the initial employment offer. The 13 days will be defined and promulgated by the President/CEO each December for the following year. Paid holidays must be taken on the defined dates, and may not be banked or booked for future pay periods. If they are not taken, they are lost.

PTO beyond the 13 paid holidays accrues to each employee's account every pay period based on the employee's length of service and employment status with TREE Fund. Employees must accrue PTO in advance of its use. If an employee needs more time off than they have accrued, such time generally will be without pay. Employees are therefore cautioned to build reserves sufficient to cover unexpected needs.

Part-Time Employees may be eligible to earn PTO on a prorated basis based on the number of hours worked per week per terms defined by the President/CEO in their initial employment offers. PTO automatically accrues at the following rates for Full-Time Employees, calculated on an average effective five-day work week of 40.0 hours:

From Date of Hire to Second Anniversary of Hire:

- 5.625 hours per pay period, for a total of 135 hours per year, which is equivalent to:
- ~17.0 days or ~3.4 weeks per year.

From Second Anniversary of Hire to Fifth Anniversary of Hire:

- 7.000 hours per pay period, for a total of 168 hours per year, which is equivalent to:
- ~21.0 days or ~4.2 weeks per year.

Fifth Anniversary of Hire and Beyond:

- 8.333 hours per pay period, for a total of 200 hours per year, which is equivalent to:
- 25.0 days or 5.0 weeks per year.

Non-exempt employees (both hourly and salaried) will request and record PTO in hourly increments. Exempt employees will request and take PTO in half-day (four hour) increments, recognizing that their work schedules may expand and contract in a given week depending on time required to complete assigned tasks.

The maximum unused accrued PTO balances that may be left on the books for each employee on December 31 each year are as follows:

- From Date of Hire to Second Anniversary of Hire: 100 hours
- From Second Anniversary of Hire to Fifth Anniversary of Hire: 135 hours
- Fifth Anniversary of Hire and Beyond: 160 hours

Employees are strongly encouraged to manage their PTO throughout the year to ensure that these balances are not exceeded on December 31. Balances above the defined levels will be removed from the employees' PTO balance on January 1 and will not be recovered.

The use of PTO will be pre-approved by the President/CEO, though TREE Fund understands that there are cases of sudden onset of illness or other unanticipated emergency where such approval will be documented after the fact. As a general rule, regular planned PTO requests should be submitted for approval at least one week in advance of desired time off to allow effective work planning. PTO requests of one week or longer consecutively should be submitted for approval at least one month in advance.

Beyond Paid Holidays and PTO, TREE Fund offers the following specialized time off benefits:

- Bereavement Leave: Paid leave of up to three days may be granted by President/CEO to full-time employees who experience the death of a close family member.
- Family and Medical Leave: TREE Fund will grant an eligible employee up to a 12 work weeks of unpaid leave during any 12-month period for one or more of the following reasons:
 - The birth and care of the newborn child of the employee;
 - For placement with the employee of a son or daughter for adoption or foster care;
 - To care for an immediate family member with a serious health condition; or
 - When the employee is unable to work because of a serious health condition.
- Jury Leave: Employees selected for jury duty you will be placed on Jury Leave. Regular, full-time employees will be paid the difference between their jury compensation and their regular TREE Fund pay. Employees should give their supervisor notice of their selection for jury duty within three business days of receiving the notice. Employees must document and submit to President/CEO any compensation paid for serving as a juror.
- Military Leave: Employees called up for active duty in the armed services will be placed on Military Leave. TREE Fund complies with federal law regarding re-employment of persons who leave work to serve in the uniformed services.
- Leave of Absence: Full-time and part-time employees may request unpaid leaves of absence, not covered by any of the other policies included herein, by filing a written request with the President/CEO. The President/CEO may grant or deny the request, at his/her discretion, depending on the circumstances of the request and/or the needs of TREE Fund. Generally, employees are required to exhaust accrued PTO before requesting an unpaid leave of absence. An employee does not accrue vacation leave or sick leave while on unpaid leave of absence. If a request for unpaid leave of absence is granted, the President/CEO will determine whether any benefits will continue through the leave, and at what cost, if any, to the employee. This will depend upon a number of factors, including the nature and extent of the leave.

Retirement Plans

Upon hire, employees may begin making pre-tax employee contributions to a company 403(b) retirement plan up to the current limits defined by the Internal Revenue Service. Employees may allocate their contributions within options defined by the plan administrator. After three months of employment, TREE Fund will pay into the employee's 403(b) account an employer match of 50 cents for each employee dollar contributed, up to an annual employer contribution of 4.25% of employee salary or \$3,500, whichever is lower. Employer contributions are fully vested upon deposit into employee accounts.

Healthcare Insurance

TREE Fund offers regular full-time employees an opportunity to enroll in a group coverage health insurance plan after three months of employment. TREE Fund covers 100% of employee cost, with employees covering 100% of any additional costs for spouse or family enrollment. Employee contributions to healthcare costs are taken as pre-tax deductions via payroll every two weeks. Further information about the plan may be obtained from the President/CEO or her designee.

Other Insurance

Life insurance and accidental death insurance policies are provided for full time employees, in the amount of \$25,000 for each policy. Worker's Compensation Insurance premiums are paid by TREE Fund for each employee. Payment of Workers' Compensation claims to all employees who are disabled because of an injury arising out of and in the course of performing their duties with TREE Fund will be governed by the Illinois Worker's Compensation Law.

Section Six: Other Policies

Travel Expenses

Employees must obtain the advance consent of the President/CEO before incurring travel expenses. Expenses must be documented, with receipts attached, and submitted within five days of the date on which the employee returns to the office from travel. Employees may be reimbursed up to \$50.00 per day for meals and other incidentals. Airfare, lodging, and rental car expenses must be pre-approved and paid with TREE Fund credit cards, where possible. TREE Fund will not reimburse the purchase of alcoholic beverages.

Employee Conduct

In addition to expecting employees to perform their jobs competently and reliably, TREE Fund expects employees to conduct themselves in a professional, ethical and responsible manner that reflects well upon the organization. Employee conduct should promote a spirit of cooperation and teamwork and be respectful of the volunteers and members of the public with whom TREE Fund interacts. Failure to do so may lead to corrective action, including dismissal.

Although it is impossible to anticipate in advance every possible kind of misconduct that would be of concern to TREE Fund and that could lead to corrective action, including dismissal, the following conduct is expressly prohibited:

- Violation of any of the policies described in this handbook or otherwise communicated.
- Conduct, including speech, which physically harms or threatens others or which is abusive to or disrespectful of anyone associated with TREE Fund.
- Failure to adhere to established work schedules, including absence without notice, except where an emergency prohibited such timely notice.
- Failure to be honest in communications and/or falsifying records or other documents.
- Theft or misappropriation of property owned by TREE Fund, co-workers, constituents, or others contacted through TREE Fund employment.
- Unlawful conduct during non-work hours that might lead constituents or the public to lose confidence in the employee or TREE Fund.
- Insubordination to the President/CEO or Board of Trustees.
- Failure to maintain a professional and cooperative manner while carrying out your duties.
- Any other failure to perform responsibilities in a manner acceptable to TREE Fund.
- Neglect or abandonment of position.

When performance issues are identified with respect to an employee, when instances of unacceptable conduct occur, or when for any reason the employment relationship has become problematic from the point of view of TREE Fund, any of a variety of steps might be taken, up to and including termination. In some cases, the employee might be given an oral or written warning. In other cases, immediate probation, suspension (with or without pay), termination or other corrective action might take place. TREE Fund reserves its right to determine what it believes is an appropriate response, and to implement it.

Separation from Employment

All employees of TREE Fund are employed at will, meaning that they or the President/CEO may terminate the employment relationship at any time, with or without cause. Employees are asked to give at least two weeks' notice of resignation. TREE Fund reserves the right to pay a resigning employee for the notice period, but to prohibit the employee from working during that time. Upon termination of the employment relationship, regardless of the reason, the employee will be paid any wages earned but not yet paid, and any accrued PTO, within 15 days of final employment.

Confidentiality

TREE Fund and its employees have an ethical and legal obligation to respect the privacy of all constituents with which the organization works, both individual and organizational. All records (physical and electronic) containing personal and business sensitive information are legally protected confidential records and must be treated as such. Such information may not be discussed with or disclosed to anyone except:

- Co-workers who are specifically authorized under TREE Fund's Confidentiality Policy to have access to such information;
- The President/CEO;
- Any person authorized by the constituent to obtain information about the constituent (any such authorization must be in writing);
- Any person with whom the President/CEO has authorized you to share the information; or
- Any person defined under a court or otherwise required by law.

If someone seeks information from you about a constituent, immediately refer the matter to the President/CEO. Violations of this policy may result in disciplinary action, including dismissal.

Section Eight – Employee Acknowledgment

By my signature below, I acknowledge that I have received a copy of TREE Fund Employee Handbook, have reviewed it fully, and have had the opportunity to discuss it with the President/CEO. I understand the policies described in the Handbook and agree to abide by them.

I understand that this Handbook does not represent a contract of employment, but rather serves as a guideline, and that no representative of TREE Fund has promised me employment for any definite period of time. I understand that I am employed at will by TREE Fund, meaning that either I or TREE Fund may terminate my employment at any time, with or without cause.

I understand that this Employee Handbook, and the policies and benefits described in it, may be changed from time to time, with or without advance notice, at TREE Fund's discretion.

Signature _____

Print Name _____

Date _____