

**Cottonwood, Inc.
Policies and Procedures**

SECTION: Cottonwood Industries

POLICY NO: 20-009

SUBJECT: Production Worker Benefits

EFFECTIVE DATE: August 1991

Policy:

It is the policy of Cottonwood, Inc. to employ Production Workers, to meet increased production demands. Production Workers are a distinct category of employee and as such will receive the following benefits:

Procedures:

1. Production workers are awarded one "Discretionary Day" per calendar year, which must be used during the calendar year or forfeited.
2. See Policy #03-020 for Vacation Benefit.
3. Full-time production workers and part-time production workers accrue sick leave at the rate of one day per month at their regularly scheduled number of hours. That is, a 40 hour work week employee will receive one day (8 hours) of accrued sick leave per month and part-time employees will accrue pro-rated sick leave "days" based on the average number of hours worked per day. Sick leave may be accumulated up to a total of 90 days. All requests for sick leave must be made to and approved by the supervisor. No compensation will be paid for absences covered by worker's compensation. Sick leave benefits do not continue to accrue and no sick leave compensation will be paid during periods of "lay off" due to work shortage or any other period of unpaid leave. Unused days of sick leave are not convertible to cash upon termination of employment.

Production workers should give their supervisors as much advance notice of an absence as possible by a Time-off request through Paycom. In the event of an emergency which causes a production worker to be absent without advance notice, the production worker is required to contact his/her supervisor as soon as possible. Sending word with someone, or leaving a message at Cottonwood, Inc. for your supervisor, is not permissible- you must call and talk with your supervisor directly, or if unavailable, a department Coordinator.

Production workers are required to keep their supervisor informed of their condition **every** day of sick leave absence. If the absence is more than three (3) consecutive days or if the supervisor has reason to believe that the sick leave is being abused, the production worker may be required to submit a medical certificate from his/her

physician in order to return to work. A production worker who abuses sick leave may, upon discretion of his/her supervisor, become subject to disciplinary action.

See Cottonwood, Inc. Policy #03-018 for information on Sick Time Conversion.

4. To receive holiday pay, production workers must be at work or on an authorized absence, on the day immediately preceding and immediately following the day on which the holiday is observed. If a holiday falls on a Saturday, it will be observed on the day before. If a holiday falls on a Sunday, it will be observed on the following day.

The official holidays observed by Cottonwood, Inc. are:

- New Years Day (January 1st)
- Martin Luther King's Birthday (legally observed)
- Spring Break Day (Friday before Easter)
- Memorial Day (last Monday in May)
- Independence Day (July 4th)
- Labor Day (first Monday in September)
- Thanksgiving (4th Thurs. & Fri. in Nov.)
- Christmas Day (December 25th)

5. Cottonwood, Inc. offers a group insurance plan (on the employee only), beginning on the first of the month following 60 days of employment. 100% of the premium for this insurance is paid by Cottonwood, Inc. Insurance on family members is available if paid for by the employee through payroll deduction. Additional rules may apply - see the Human Resources Director to enroll and/or for additional information.

6. Salary increases will be based on merit after one year of employment.

7. All benefits listed above are for full time Production workers. Benefits do not continue to accrue during periods of unpaid leave. Health Insurance may be covered for periods shorter than one month in some circumstances. For periods longer than one month COBRA may take effect. Contact the HR Director to see if this situation would apply.

8. Retirement Plans: Cottonwood, Inc. participates in the Kansas Public Employees retirement System (KPERS) which requires 6% employee contribution for all employees working in KPERS covered positions (see Policy #03-048 for more information). The KPERS 457, a voluntary 457 (b) deferred compensation savings plan, is available via payroll deduction with no waiting period to all employees who want to set aside additional funds for retirement. Details of the plan are available from a representative of the company providing services for this voluntary benefit.

9. Production workers are eligible for paid leave due to the death, funeral, or estate settlement in the employee's immediate family: Family is defined as spouse/partner, siblings, father, mother, aunt, uncle, children, step-children, father-in-law, mother-in-law, grandchildren, grandparent. Leave for another significant person is at the discretion of the supervisor. Upon request and approval of the department

coordinator and/or director, an employee shall be allowed one day leave at their regular rate of pay. This may be extended to a maximum of five (5) days if approved for the purpose of travel or to conduct family business related to the death.

10. With recognition of the need to accommodate disability related appointments Ability One Production workers may be excused from work as unpaid leave without the absence counting against attendance/sick leave use. Documentation may be required.