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entities, to employee benefit plans. In addition, RPB can help with tax return preparation, tax planning, accounting and bookkeeping services, outsourced controllership, business valuations and forensic (fraud) investigations.

### How the Firm is Managed

The management and control of all business of the Firm shall be under the direction of the goodwill partners sitting as a Managing Board. The Managing Board shall automatically include all partners actively performing their duties who are the holders of goodwill shares. Such membership shall be automatic under this agreement, without election, as long as they hold their shares. The Managing Board shall delegate to its members such duties and functions as it may decide. One of the goodwill partners shall be chosen as a secretary who shall attend and act as secretary of all Partnership and Managing Board meetings and shall record the proceedings of such meetings in a minute book provided for the purpose, such minutes to be signed by the Secretary and attested by the business manager, or in the absence of either, by other goodwill partners present at the meeting. Management and control of the business of the Partnership shall be by a majority of the members of the Managing Board with each member having one vote. A quorum to constitute a valid partnership meeting shall consist of not less than two-thirds of the goodwill partners and they shall be present in person or by phone; a quorum to constitute a valid Managing Board meeting shall consist of not less than two-thirds of the members thereof and they shall be present in person or by phone.

### Job Titles and Functions

As you read this handbook, there will be references made to professional personnel. The full job descriptions are available in the Human Resources Office. The following are summary descriptions of duties and responsibilities:

- **Partners** – Provide services to clients, market the Firm and administer the Firm.
- **Principals** – Responsibilities are similar to Partners except that they cannot sign audit or review reports. In addition, they cannot execute contracts on behalf of the Firm.
- **Managers** – Are involved in many of the areas for which Partners or Principals are responsible. They are CPA certified and have exhibited technical proficiency and the ability to supervise and complete engagements, possess thorough knowledge of the Firm's policies and procedures, and serve as intermediaries between Partners, Principals, clients, and Senior Accountants. Managers cannot use Firm letterhead with their signature to sign audit, review, or compilation reports. They cannot execute contracts on behalf of the Firm without Partner permission.
- **Senior Accountants** – Are usually CPA certified and can perform most engagements with little supervision. They direct and review the work of Staff and In-Charge Accountants and are capable of making decisions on most accounting, tax and auditing matters. When unusual situations arise, they present the pertinent information to the engagement Manager, Principal or Partner and follow their advice. In addition, on engagements for which a Manager has not been assigned, they are responsible for the preparation of a time budget and ensure that the engagement is completed on a timely basis within budget.
- **In-Charge Accountants** – Are supervised by Senior Accountants, Managers, Principals or Partners. They will be responsible for smaller, less complex engagements or tax preparation and may direct and review the work of Staff Accountants in situations where a Senior Accountant has not been assigned to the engagement.
- **Staff Accountants** – Are supervised by In-Charge, Senior Accountants, Managers, Principals and Partners. Initially, they are given less complex audit, accounting and tax

### WELCOME TO REILLY, PENNER & BENTON, LLP (RPB)

The Partners of Reilly, Penner & Benton, LLP (hereafter referred to as "RPB" or "the Firm") welcome you to what we hope will be a long and professionally rewarding career with the Firm.

At RPB we believe each employee contributes directly to the growth and success of the Firm and we hope you will take pride in being a member of our team. We believe that work should be more than just a way to make a living; rather, we think the role of each of us in the Firm should lead to our personal growth and fulfillment. It will be part of your responsibility to let us know if we are falling short of that goal. We strive for perfection, and we know we can always improve.

The purpose of this handbook is to provide general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resources Manager. The contents of the manual are subject to change without notice. New policies and/or revisions will be provided to you and it will be your responsibility to keep the manual up to date. The handbook with the most recent date supersedes prior handbooks and/or conflicting policies/practices. **The manual is not an express or implied contract. This manual does not in any way alter the employment at-will relationship between RPB and its employees.** No oral statements can alter this disclaimer or create a contract. Nothing in this handbook is intended to violate Section 7 rights under the NLRA (National Labor Relations Act).

RPB has a complete Personnel Policy & Procedure Manual, which contains the comprehensive personnel policies of the organization. These policies may change at any time. A copy of that manual is available for you to review on-line on the RPB Links Page or in the Human Resources office should you have questions regarding the specifics of any personnel policy.

We are pleased you have chosen to join RPB. We hope your experience here will be challenging, enjoyable and rewarding.

### **EMPLOYMENT RELATIONSHIP**

#### **Employment at Will**

Employment at RPB may be terminated for any reason, with or without cause or notice, at any time by the employee or the Firm. Nothing in this Employee Handbook or in any oral or written statement shall limit the right to terminate employment at will. Only the Partners of RPB, with a majority vote, have the authority to create an employment contract, and such contract must be in writing and signed by the appropriate parties to be valid.

This policy of at will employment is the sole and entire agreement between you and RPB as to the duration of employment and the circumstances under which employment may be terminated.

With the exception of employment at will, terms and conditions of employment with RPB may be modified at the sole discretion of the Firm with or without cause or notice at any time. No implied contract concerning any employment-related decision or term or condition of employment can be established by any other statement, conduct, policy, or practice. Examples of the types of

terms and conditions of employment that are within the sole discretion of the Firm include, but are not limited to, the following: promotion; demotion; transfers; hiring decisions; compensation; benefits; qualifications; discipline; layoff or recall; rules; hours and schedules; work assignments; job duties and responsibilities; work standards; subcontracting; reduction, cessation, or expansion of operations; sale, relocation, merger, or consolidation of operations; determinations concerning the use of equipment, methods, or facilities; or any other terms and conditions the Firm may determine to be necessary for the safe, efficient and economic operation of its business.

#### **DESCRIPTION OF EMPLOYEE HANDBOOK**

This employee handbook contains information about the employment policies and practices of Reilly, Penner & Benton, LLP and is effective July, 2015.

This Employee Handbook supersedes all previously issued Employee Handbooks and inconsistent verbal or written policy statements. The Firm reserves the right to alter, modify, amend or terminate any of the provisions or policies described in this Employee Handbook at any time and without notice. Further, the RPB Employee Handbook is subject to interpretation by the Firm's Managing Board which reserves the right to exercise discretion in the administration of the provisions or rules governing employment.

Not all policies and procedures are set forth in this Employee Handbook. We have summarized only some of the more important policies. The Personnel Policy & Procedure Manual contains the complete set of policies and procedures.

#### **EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER**

RPB provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin or ancestry, age, physical or mental disability, genetic information, marital status, amnesty or status as a covered veteran in accordance with applicable federal, state and local laws. RPB complies with applicable federal, state and local laws governing nondiscrimination in employment in every location in which the Firm has offices. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

RPB expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, gender identity, national origin or ancestry, age, physical or mental disability, genetic information marital status, disability or veteran status. Improper interference with the ability of RPB employees to perform their expected job duties is absolutely not tolerated.

#### **REASONABLE ACCOMMODATION POLICY**

It is the policy of RPB to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our Firm policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

The Firm will reasonably accommodate qualified individuals with a disability so that they can perform the functions of their assigned job unless it creates an undue hardship to the Firm or

unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation. Contact the Human Resources department with any questions or requests for accommodation.

#### **ABOUT THE FIRM**

#### **REILLY, PENNER & BENTON, LLP – OUR VALUES AND OUR MISSION**

##### **Our Core Values**

- Commitment to Excellence – We have set high standards to provide our clients with exceptional service and value
- Teamwork – We provide an open environment that thrives on collaboration at all levels to successfully share unique ideas and best practices
- Personal Enrichment – We aspire to enrich our team members' personal lives through our welcoming atmosphere and continued focus on work/life balance
- Integrity – We are committed to the highest level of integrity and act ethically in every aspect of our business
- Opportunities – We are dedicated to providing distinct opportunities to support our team members in achieving their highest potential
- Social Responsibility – We focus on giving back to the communities through our time, resources and talents. We respect our environment and continuously seek opportunities to recycle and reuse

##### **Our Mission Statement**

It is the mission of Reilly, Penner & Benton, LLP to:

- **Provide exceptional audit, tax and consulting services and value to our clients, and in the process, to improve and enrich our community, while extending intellectually challenging and rewarding careers to our staff.**

We achieve this mission by listening to and becoming trusted advisors of our clients, by investing in our systems and staff, by emphasizing nonprofit clients among our diverse book of business, by participating in charitable activities as individuals and as a Firm, and by creating clear career paths by mentoring and developing our staff and preferentially promoting from within.

##### **The Environment: It's about the People, the Culture, and the Flexibility**

RPB promotes a flexible, friendly and supportive environment. We think you will find the team at RPB to be not only bright, knowledgeable and motivated, but also committed to your development and success. We believe that work should be more than just a way to make a living; rather, we think that the work should be meaningful, challenging and when circumstances allow, fun.

By industry standards, RPB employees also enjoy remarkable flexibility; so long as you meet client obligations and team expectations and your work is performed well and on time, RPB employees traditionally enjoy schedule flexibility. With adequate coordination and communication, RPB can help you work around many of life's other important events.

##### **Description of the Firm**

RPB is a mid-sized, regional public accounting Firm with offices in Milwaukee, Madison and McFarland and is the oldest CPA Firm in the State of Wisconsin. Founded in 1907, the CPAs of RPB have been performing audits, reviews and compilations for clients in a variety of industries ranging from closely held businesses to not-for-profit organizations, to government and school

## **Personnel Records**

The information recorded in your personnel file is extremely important. Please report any change of address, phone number, etc. to the HR Manager.

Employee personnel files are maintained by the Human Resources department and are considered confidential. Only authorized personnel will have access to your file. However, RPB will cooperate with—and provide access to your personnel file to—law enforcement officials, or local, state, or federal agencies, and to you, in accordance with applicable law. All requests to review your personnel file should be referred to the HR department. Files must be reviewed in the HR department; they may not be taken outside of the department. Requested copies will be provided according to state and federal regulations. Confidential health/medical records are not included in your personnel file. RPB will safeguard them from disclosure and will divulge that information only (1) as allowed by law; (2) to the employee's personal physician upon written request of the employee; or (3) as required for workers' compensation cases.

## **Attire and Grooming**

It is important for all employees to project a professional image while at work by being appropriately attired. RPB employees are expected to be neat, clean and well-groomed while on the job. Clothing must be consistent with the standards of RPB's Dress Code and Professional Appearance Policy.

## **Employee Property**

Employees should not bring valuables to work. If you decide to do so, all valuables should be kept in a secure location. The Firm assumes no responsibility for the loss, theft, or damage of employees' personal property.

## **Workplace Search Policy**

RPB reserves the right to search company premises and company property, with or without notice, including employee's desks and personal effects while on Firm property.

## **Laptop Security**

All laptops acquired for or on behalf of RPB business are RPB property. Each employee issued a laptop is responsible for the security of that laptop, and also for the information stored on it, regardless of whether the laptop is used in the office, at a place of residence, or in any other location such as a client, hotel, conference room, car or airport.

Upon allocation of a laptop, all users must read the RPB Laptop Security Policy. All users will also be required to sign a laptop issuance agreement stating that they agree to comply with the policy. All users will be provided copies of future versions of the policy if revisions are made, and will be required to comply with any revised requirements.

## **Password Policy**

Employees must access a variety of IT resources, including computers and other hardware devices, data storage systems, and other accounts. Passwords are a key part of IT strategy to make sure only authorized personnel can access those resources and data. All employees who have access to any of those resources are responsible for choosing strong passwords and protecting their log-in information from unauthorized people. The purpose of this policy is to make sure all RPB resources and data receive adequate password protection. The policy covers

assignments. As they gain experience, they are given more difficult assignments and greater responsibilities.

- **Accounting Services Associates** – Assist professional accounting staff and clients by providing controllership, bookkeeping and basic tax return preparation. They may also prepare work papers and schedules for audits, reviews, compilations, or complex tax returns.
- **Administrative Staff** – Include specialized clerical, billing or operational and management staff. (i.e. HR Manager, IT Manager, Receptionist, Admin Assistant, etc.)
- **Interns** – Are typically junior or senior level accounting students at credentialed degree-granting colleges or universities. These paid Interns are engaged for a summer season (School District or Choice clients) or Tax Season (tax preparation and miscellaneous audits). Interns function in much the same way as newly hired Staff Accountants, but receive additional careful oversight and guidance.

## **EMPLOYMENT**

### **Background and Reference Checks**

To ensure that individuals who join RPB are well qualified and to ensure that RPB maintains a safe and productive work environment, it is our policy to conduct pre-employment background checks on all applicants who accept an offer of employment. Background and reference checks may include verification of any information on the applicant's resume.

Most offers of employment are conditioned on receipt of a background check report that is acceptable to RPB. All background checks are conducted in conformity with the Federal Fair Credit Reporting Act, the Americans with Disabilities Act, and state and federal privacy and antidiscrimination laws. Reports are kept confidential and are only viewed by individuals involved in the hiring process.

If information obtained in a background check would lead RPB to deny employment, a copy of the report will be provided to the applicant, and the applicant will have the opportunity to dispute the report's accuracy. Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment. Additional checks such as a driving record or credit report may be made on applicants for particular job categories if appropriate and job related.

RPB also reserves the right to conduct a background check for current employees to determine eligibility for promotion or reassignment in the same manner as described above. Current employees who are being promoted to Principal or Partner may be subject for a background check and credit check.

### **Employee Classification Categories**

All employees are designated as either nonexempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate due to the employment-at-will relationship at any time is retained by both the employee and RPB.

- **Nonexempt employees** are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime.

- **Exempt employees** are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under state and federal laws.

RPB has established the following categories for both nonexempt and exempt employees:

- **Regular, full-time:** Employees who are not in a temporary status and who are regularly scheduled to work the Firm's full-time schedule of at least 30 hour per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefit program.
- **Regular, part-time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the full-time schedule. Regular, part-time employees are eligible for some of the benefits offered by the company subject to the terms, conditions and limitations of each benefit program.
- **Temporary/Seasonal, full-time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the Firm's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.
- **Temporary/Seasonal, part-time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than the Firm's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary employees are not eligible for Firm benefits unless specifically stated otherwise in Firm policy or are deemed eligible according to plan documents.

### Open Door Policy

As a valued employee of RPB, you are invited to express your opinion on our operations, and you will be heard. We make every effort to create a climate where alternative views can be expressed. All Partners, Principals, Managers, etc. are available and accessible to all staff.

### Job Duties

As part of your initial orientation, you will learn the various duties and responsibilities of your job. RPB maintains certain expectations and standards applicable to your job position.

It is expected that employees will perform additional duties and assume additional responsibilities as needed for the efficient operation of the Firm.

In order to adjust to changes in our business, it may become necessary to modify your job description, add to or remove certain duties and responsibilities, or reassign you to an alternate job position.

### Attendance and Punctuality

RPB expects you to report to work on a reliable and punctual basis. Providing predictable and reliable attendance is an essential part of your job. You are expected to arrive at client locations or the office at your scheduled time. Patterns of absenteeism or tardiness may result in disciplinary action, up to and including termination of employment even if the employee has not

yet exhausted available PTO. The in/out log in the time system must be completed on a daily basis in the Milwaukee office.

If you will be absent you need to notify, in advance of your scheduled start time, the office, the staff member in charge of your assignment, and your client if you have a scheduled appointment. If you will be absent three or more days you must notify the HR Manager. Absences of five or more days may require a return to work release from your doctor.

Not reporting to work and not calling to report the absence is a no-call/no-show and is a serious matter. The first instance of a no-call/no-show will result in a final written warning. The second separate offense may result in termination of employment with no additional disciplinary steps. A no-call/no-show lasting three consecutive days may be considered job abandonment and may be deemed an employee's voluntary resignation of employment.

During the busy season Staff Accountants, In-Charge Accountants, Seniors and Managers will be expected to work either Saturdays or Sundays.

### Work Flexibility

In certain occasional situations (i.e. child is sick/no child care, home maintenance appointments) employees may be allowed to work from home – all other times they are expected to be at a client location or in the office working. Typical work hours are 8am-5pm, but RPB does offer its employees start and end time flexibility to fit their life needs (i.e. an employee needs to work a 9am-6pm schedule in order to drop child off at school in the morning). There is also flexibility as far as working extra hours one day due to needing that amount of time off another day during the week. In all instances, the office must be notified and it is your responsibility to keep the time system updated.

The Firm is willing to review requests for part-time and flexible work schedules upon returning to work after the birth/adoption of a child. Due to the nature of our business and scheduling issues, we are required to review each request on a case-by-case basis. We value each and every one of our employees and will attempt to devise a return-to-work plan which will work for all parties.

### Performance Evaluations

Performance Evaluations are conducted to provide the opportunity to discuss your job tasks, identify and correct weaknesses, encourage and recognize strengths, devise methods for improving performance, and establish goals for future professional growth. Please understand that a positive performance evaluation does not guarantee an increase in salary, a promotion, or even continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions are determined at the discretion of the Partners of the Firm.

### Advancement

Our aim is to hire the most qualified people we can find and give them maximum opportunity to advance. Promotions are based not on seniority, but on ability, leadership, and willingness to accept responsibility. A staff member's professional progress is continually being reviewed through formal and informal reports/evaluations. Staff members are expected to demonstrate improvement in their work and knowledge. Maximum effort should be exerted by the professional staff to pass the CPA examination at the earliest possible time.

2. Accessing, sending, soliciting, displaying, printing or otherwise disseminating material that is reasonably likely to harass, threaten or embarrass others or that is sexually explicit, fraudulent or otherwise inappropriate in a professional environment.
3. Transmitting statements, language, images or other material that is reasonably likely to be perceived as offensive or disparaging to others based on race, national origin, sex, sexual orientation, age, disability, religious or political beliefs or any other legally protected basis.
4. Engaging in personal, non-Firm related activities for gain or profit, for example, consulting for pay or advertising or selling goods or services for personal gain.
5. Engaging in illegal activities or using the internet for any illegal purposes, including initiating or receiving communications that violate any laws or regulations.
6. Except as specifically authorized, gaining access to the internet by using any access control mechanism (e.g., login name, password, etc.) not assigned to the user, or permitting any person to have access to the internet by using another person's access control mechanism.
7. Hacking, which for this policy means gaining or attempting to gain unauthorized access to any computers, computer networks, databases, data or information stored electronically.
8. Engaging in any transaction or other conduct that, if done through means other than over the internet, would not be authorized.

#### Expectations

Use of the Firm's internet access, like use of other Firm resources, can be limited by the Firm at any time for any reason. Employee use of the Firm's internet access may be monitored for security and/or network reasons as well as to monitor compliance with this policy. Employees who do not adhere to this policy may be disciplined, which can include restriction of internet use or even termination.

No written policy can list every conceivable circumstance that relates to internet use. The Firm's employees are professionals who are expected to exercise responsible professional judgment.

#### **Electronic Mail – Internal and External**

RBP provides its employees with email access so they may better perform their job-related duties. Inappropriate use of email can adversely affect the Firm's business, interfere with the work of its employees, increase its costs and even expose the Firm to damage, liability and security risks. As a result, the Firm has established an email policy. This policy contains guidelines for appropriate use of email.

#### Use

The Firm's email system includes all messages sent through the Firm's computer network either externally via the internet or internally. Email messages should be sent only to those individuals who have a legitimate reason to receive them. Distribution lists should be kept current and updated regularly to reflect changes in responsibility or employment status.

#### Protocol

Email messages should be courteous, concise, focused and written in good business English. The same care should be used in drafting email messages as used for drafting

all employees who have access to any resource that requires a password. Employees will receive the complete policy at orientation.

#### **Removable Media Policy**

RBP staff may only use RPB removable media in their work computers. RPB removable media may not be connected to or used in computers that are not owned or leased by RPB or RPB clients without explicit permission of the RPB IT Manager. Sensitive information should be stored on removable media only when required in the performance of your assigned duties or when providing information required by other state or federal agencies. When sensitive information is stored on removable media, it must be encrypted using the tool provided on the flash drive. Employees will receive the complete policy at orientation.

#### **Eating in the Office**

Our office provides space for our staff to eat on the premises. Accordingly, personnel who order lunches from the outside or who bring lunch from home to eat in the office should do so in the designated space. Personnel are expected to assist in keeping all areas neat by cleaning up after they have finished. Personnel are expected to exercise care in the handling of all types of food to avoid damage to work papers and furnishings. When at a client location, the client's policies on these matters should be strictly observed.

#### **Smoking Policy**

RBP is a smoke-free environment. Smoking is only allowed in designated areas outside the building.

#### **Suggestion Program**

As employees of RPB, you have the opportunity to contribute to our continued success and growth by submitting suggestions for practical work-improvement or cost-savings ideas. All employees are eligible to participate in the suggestion program.

A suggestion is an idea that will benefit RPB by solving a problem, reducing costs, improving operations or procedures, enhancing client service, eliminating waste or making the Firm a better or safer place to work. All suggestions should contain a description of the problem or condition to be improved, a detailed explanation of the solution or improvement, and the reasons why it should be implemented. Suggestions can be submitted electronically on the Employee Portal on RPB's website. Employees can choose whether to include his/her name or be anonymous.

#### **Nepotism, Employment of Relatives and Personal Relationships**

RBP wants to ensure that Firm practices do not create situations such as conflict of interest or favoritism. This extends to practices that involve employee hiring, promotion and transfer. Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other. Close relatives are defined as husband, wife, domestic partner, father, mother, father-in-law, mother-in-law, grandfather, grandmother, son, son-in-law, daughter, and daughter-in-law.

If employees begin a dating relationship or become relatives, partners or members of the same household and one party is in a supervisory position, that person is required to inform Human Resources of the relationship.

RPB reserves the right to apply this policy to situations where there is a conflict or the potential for conflict because of the relationship between employees, even if there is no direct-reporting relationship or authority involved.

### **Night School**

The Firm commends and encourages the efforts of all personnel to advance their education at night school. Whenever possible, we attempt to adjust work assignments so they will not interfere with school. However, the Firm's requirements must take precedence when overtime work or out-of-town travel is required.

### **Work Outside the Firm**

Staff members are expected to devote their best efforts to the Firm's work. Therefore, no staff member should undertake any outside work. This does not prohibit part-time teaching at colleges or universities with the approval of the Partners.

### **Transfers to Other Offices**

From time to time there may be opportunities for transfers to other offices. These openings are usually made known to all. Generally, the offer of a transfer involves an increase in responsibility. You will never be transferred to another office arbitrarily – should an opportunity arise for a transfer, you will be advised of the opportunity and given a chance to accept or refuse it.

### **Professional Societies & Community Organizations**

Participation in CPA activities is regarded as an integral part of being a professional. We have formulated the following guidelines so that professional activities may be coordinated with Firm activities:

1. Time and expenses for AICPA and state society activities must be approved by the Partners.
2. The Firm requests that you report on items of interest at a subsequent meeting or e-mailed summary so all staff can benefit from your participation.

AICPA membership is currently paid for by the Firm for Partners, principals and all other CPAs. At the discretion of the Partners and/or Principals the Firm may pay for the membership for other staff members if they attend national seminars.

WICPA membership is paid only for employees who volunteer and serve on an AICPA or WICPA committee or Board of Directors for a non-profit organization or at the discretion of the Partners and/or Principals.

The Firm encourages participation in community organizations. Upon approval of the Principals or Partners, RPB will pay your dues. Serving on Boards is classified as good NP time.

### **Making Speeches and Writing for Publication**

The Firm encourages staff members to write articles for publication in accounting journals and in other publications and to make speeches to various professional, business, and civic groups. Often the subject matter for a speech can be edited and revised so as to become an article for publication. The Firm pays a \$500 award for any article accepted for publication by an appropriate journal. As a check on content and to prevent embarrassment, staff members are asked to submit drafts of articles and speeches to the Partners before presentation.

## **OFFICE AND OPERATING PROCEDURES**

### **Photocopies**

All major photocopying should be performed by administrative staff when possible. The photocopier is not to be used excessively for personal business without prior permission from a Partner.

### **Office Supplies**

The Firm provides all necessary supplies to conduct our work. Any purchase of supplies or equipment on behalf of the Firm must be approved in advance by a Principal or Partner.

### **Cell Phones**

Employees may carry personal cellular phones. However, receiving/placing personal cell phone calls and texting/receiving texts is to be kept to an absolute minimum and reserved for emergencies and unusual circumstances. While at client's offices, cell phones must be set on "silent" or vibrate" modes.

Employees are prohibited from using cell phones (even with a hands-free device) while operating any motor vehicle on RPB business, except in an emergency situation.

Employees who make or receive an excessive amount of personal cell phone calls or text messages may be subject to disciplinary action up to and including termination.

### **Internet Use**

RPB provides its employees with internet access in order that they may better perform their job-related responsibilities. Inappropriate internet use can adversely affect the Firm's business, interfere with the work of its employees, increase its costs and even expose the Firm to damage, liability and security risks. As a result, the Firm has established an Internet Use policy. This policy contains guidelines for appropriate internet use as well as examples of activities that are prohibited.

#### **Guidelines**

- The Firm's internet access is intended as a tool to help the Firm better serve its clients.
- The work of the Firm and its clients always comes first.
- The Firm monitors all use of the Firm's internet access. No one should expect privacy or secrecy in the use of the Firm's internet access.
- The Firm has complete and sole discretion to determine whether any use of its internet access is inappropriate, even if the use is not expressly prohibited or addressed in this policy. The Firm may ask employees to stop any use of the internet it believes is improper. In addition, the Firm may block access to any internet sites it believes are not appropriate.
- If an employee has questions about whether a particular use of the Firm's internet access is proper, he/she should consult the Human Resources department.

#### **Prohibited Activities**

The following activities are prohibited and may lead to discipline, up to and including discharge:

1. Copying, disseminating or printing copyrighted materials, which can include articles, images, games and other software, in violation of copyright laws.



## **Report Preparation**

RPB has a customary format for our reports. Follow prior years' reports where the facts are applicable. However, be alert for inapplicable situations where the prior years' reports should not be followed. Discuss problem areas with your supervisor.

## **Tax Return Preparation**

Our procedures for preparing tax returns will be discussed prior to each tax season. The same care in preparation and confidential handling of work papers applies as with any other engagement.

## **Signing Letters**

Generally, only a Partner, Principal or Manager is authorized to sign anything printed on Firm letterhead.

## **Preparation of Work Papers and Forms**

Staff members should, as soon as possible, learn Firm policies and procedures regarding the preparation of work papers. Work papers should be clear and legible. They should contain a full and accurate record of all procedures in connection with the engagement, of pertinent discussions with the client, and of any conclusions. "Complete but concise" is the Firm's rule; with practice it will become easy to follow. Remember that the work papers must stand by themselves.

## **CLIENT ACTIVITY**

### **What We Do For Our Clients**

RPB offers services to clients in four main areas: accounting and auditing, taxes, management advisory services, and specialized accounting services. None of these is unique in itself; what makes RPB unique is the personal attention and services that we bring to each client.

### **Accounting and Auditing, Reviews and Compilations**

RBP provides services to small and medium-sized private businesses, financial institutions, nonprofit and governmental entities, colleges and universities. To strengthen management procedures and improve operating results, we supplement our audit reports with suggestions for attaining these goals.

### **Taxes**

Complete and diversified tax services are provided, including the normal services relating to the preparation of federal, state, and local tax returns. Tax planning is emphasized – corporate, personal, and estate – and includes such areas as compensation, tax shelters, acquisitions, and mergers. Newsletters are sent to clients to keep them up to date on the latest tax developments.

### **Management Advisory Services (MAS)**

The Firm assists clients to improve their efficiency and profitability from a different viewpoint, using an objective, skilled evaluation. Personnel install and upgrade data-processing systems. Specialized MAS services include assistance in the preparation of forecasts, projections and working capital requirements, recommending sources of financing for operations and capital additions, and meeting with our clients and other professionals. We also provide management and operational consulting in the areas of management information systems, human resources, financial systems, risk management employee benefits and general management.

any other written communication. This is not intended to prohibit informal messages where appropriate.

### **Permanence**

Deleted messages may still reside on the system in other recoverable forms (system backup, sent mail folders, spool queues, etc.). Employees should not assume that deleting messages removes all incidents of their existence. If there is an investigation, litigation or other procedure that requires or makes desirable the review or production of Firm records, it is likely that email messages will be requested and potentially disclosed.

### **Privacy**

The Firm may read and disclose the contents of any email message. In addition, information technology personnel may have access to individual email files when troubleshooting reported problems. However, the Firm does not condone snooping. If an internal message is confidential, it should be distributed personally or by a confidential routing envelope and not by email. Employees should not presume an email sent via the internet is confidential unless it has been encrypted.

### **Assumptions and Guidelines**

When using the email system, employees should assume that no email message is confidential and that each email message is permanent.

All external email messages are unavoidably attributed to the Firm. When composing messages, employees should keep in mind that personal comments may be perceived as comments made on behalf of the Firm.

Participation in e-mail subscriptions should be limited to those used for business purposes. Postings to electronic mail subscriptions are distributed to many unknown readers and can later be quoted in public materials. Understand the guidelines and protocols of each electronic mailing subscription to which you subscribe. Electronic signatures should be used on all external messages and should clearly identify the originator of the message.

Employee use of the Firm's email system may be monitored for security and/or network reasons as well as to monitor compliance with this policy. Employees who do not adhere to this policy may be disciplined, up to and including termination of employment.

No written policy can list every conceivable circumstance that relates to email use. The Firm's employees are professionals who are expected to exercise responsible professional judgment.

(This policy is not intended to preclude or dissuade discussions among employees about wages, hours, or working conditions, terms and conditions of employment, or other legally protected activities or in any other way limit employees' rights under the National Labor Relations Act or under any other applicable federal, state, or local law to engage in any activity or communication protected by law.)

## Office Appearance

It is your responsibility to keep your office and desk orderly. Our Firm's professional appearance is enhanced when:

- Desks and credenzas are cleared at the end of each day
- Work areas are kept neat and orderly during working hours
- Files, printouts, ledgers, binders, books and other work and reference materials are returned to their proper location after use
- Only those client files currently being worked on are at your desk

If progress with a particular file is delayed, it should be returned to its proper place until work can continue.

## Phone Calls

Answer incoming calls by saying, "Good morning/afternoon, Reilly, Penner & Benton.....speaking, how may I help you?" Try to answer by the third ring. All telephone messages should be answered within 24 hours.

When you are working out of the office you should check your voicemails and e-mails and respond as appropriate. All non-exempt employees must include time checking work voicemails and e-mails as time worked. The office will not release the name or telephone number of the client where you are working. Messages taken while you are out of the office will be relayed to you as soon as possible during the day.

You should keep a record of charges on any personal long-distance calls made on the office telephone and reimburse the Firm for that amount.

## Contact With Office

During business hours the office must know your whereabouts at all times. All staff must keep their location (including client name) updated at all times either in the log in the time system or in specific system for your individual office. You must also include your return date/time. On out-of-town assignments, you should advise the office where you will be staying.

## Workplace Etiquette

RPB strives to maintain a positive work environment where employees treat each other with respect and courtesy. Sometimes issues arise when employees are unaware that their behavior in the workplace may be disruptive or annoying to others. Many of these day-to-day issues can be addressed by politely talking with a co-worker to bring the perceived problem to his/her attention. In most cases, common sense will dictate an appropriate resolution. RPB encourages all employees to keep an open mind and graciously accept constructive feedback or a request to change behavior that may be affecting another employee's ability to concentrate and be productive.

The following workplace etiquette guidelines are not necessarily intended to be hard and fast work rules with disciplinary consequences. They are simply suggestions for appropriate workplace behavior to help everyone be more conscientious and considerate of co-workers and the work environment. Please contact the human resources department if issues persist.

- Return copy machine/printer settings to their default settings after changing them
- Replace paper in the copy machine/printer paper trays when they are empty
- Retrieve print jobs in a timely manner and be sure to collect all pages
- Be prompt when using the manual feed on the printer

- Keep the area around the copy machine/printers orderly
- Be careful not to take or discard others' print jobs or faxes when collecting your own
- Avoid public accusations or criticisms of other employees. Address such issues privately with those involved or human resources
- Try to minimize unscheduled interruptions of other employees while they are working
- Be conscious of how your voice travels, and try to lower the volume of your voice when talking on the phone or to others in open areas
- Keep socializing to a minimum, and try to conduct conversations in areas where the noise will not be distracting to others
- Minimize talking between workspaces or over cubicle walls. Instead, conduct conversations with other in their workspace
- Try not to block walkways while carrying on conversations
- Refrain from using inappropriate language (swearing) that others may overhear
- Monitor the volume when listening to music, voice mail, or a speakerphone that others can hear
- Clean up after yourself in the lunchroom
- Make coffee when using the last of it

## Work Assignments

Work assignments are the responsibility of the Principals or Partners. Wherever possible, advance notice of new assignments will be given, especially when out-of-town travel is involved. Once an engagement has begun, you become directly responsible to the person in charge of that engagement for all matters pertaining to its completion.

## Completion of Assignments

The person in charge of the field work of an engagement is responsible for notifying the Principal or Partner of the expected completion date of that engagement. This should be done at least two or three days in advance so further assignments can be scheduled without delay.

## Unassigned Personnel

You should always be sure that other staff members are advised of your availability if you have no assignment. If no one has any work for you, spend your time profitably in preparing for the next engagement, reading, studying, and other avenues of professional development.

## Care of Work Papers and Files

The staff person in charge of an engagement is responsible for all papers connected with it. During lunch hours and breaks, papers should be secured. At night and on weekends they should be taken with you or locked in the client's safe or another protected place. Client employees should not be permitted access to our papers except on specific approval of the Principal or Partner.

The care and protection of work papers and related files are custodial responsibilities of vital importance. Should it become necessary to suspend work on the engagement, all papers must be returned to the office. Under no circumstances should they be left at the client's office or in the custody of a client's employee.

### **Use of Client's Telephone**

Keep telephone calls from the client's office to a minimum and only related to that engagement. Personal calls should be from cell phones and not during working hours. Incoming personal calls are prohibited unless urgent. Do not inform persons outside the Firm of the client's telephone number or that you are working at that client's office. Texting is prohibited. The use of ear buds to listen to music, etc. is not allowed at a client location.

### **Client Irregularities**

Should you discover or suspect evidence of theft, embezzlement, defalcation, or any other irregularity on the part of the client personnel, you should report immediately to the person in charge of the engagement or assignment. Under no circumstances should the matter be discussed with any of the client's personnel, including the officers. The Partner in charge or Principal should also be contacted as soon as is reasonably possible. If a Principal is notified, that Principal must notify a Partner as soon as possible.

### **Delivery of Client Documents**

From time to time we find it convenient or necessary (to meet time schedules) to personally deliver clients' records, reports and/or tax returns. It is taken for granted that deliveries will be made to the person, Firm, etc. to whom the package is addressed. We must emphasize that there is no margin for variance in this matter because all of the deliveries are of a confidential nature. Therefore, we remind everyone that no latitude will be allowed in making deliveries. All packages must be delivered to the addressee. If the addressee cannot be located or if there is not an authorized person available to accept the delivery, call the Principal or Partner in charge of the engagement. Under no circumstances may you deviate from the delivery instructions without Principal or Partner approval.

### **Faxing or E-Mailing Client Documents**

From time to time we also find it convenient or necessary to fax or e-mail client records, information, reports and/or tax returns. We take it for granted that the documents will be received only by the intended party. To ensure that the intended party directly receives the information, a telephone call must be placed to the party alerting them that the document is being sent. The only variance that is allowed is if you have received permission from the Partner that verbal acknowledgement is not necessary.

### **Client Travel**

Out of town travel is part of an accountant's job and you should be prepared to do your share of it. Efforts are made to distribute the burden among all staff members. If there is a pressing personal reason why you cannot travel, promptly bring it to the attention of the Partner.

The engagement Partner is responsible for making all travel arrangements. Sometimes plans are changed when you are still in the field, in which case you must make the necessary travel arrangements on your own and notify the office of your expenses when you return. Travel should be coach class unless there are no other seats available.

Staff members in the field who wish to return home over holidays and weekends are encouraged to do so if time and work schedules permit. When out-of-town assignments permit regular commuting or an occasional return home, you may be reimbursed for the actual cost of travel, not in excess of normal allowable expenses of staying overnight. Staff members are not

### **Specialized Accounting Services (SAS)**

Specialized accounting services (SAS) provide the smaller client with the expertise of an in-house accountant. We assist in establishing basic accounting records and in the preparation of interim financial statements and various tax returns including income, sales and payroll.

## **PROFESSIONAL PRINCIPLES AND CLIENT RELATIONSHIPS**

### **Confidentiality of Client Matters**

Privacy and trust are implicit in the accounting profession. Every person employed by the Firm is obligated to refrain from any discussion or disclosure of confidential financial data, or other non-public proprietary Firm information regarding business partners, vendors or clients.

### **Professional Ethics**

Staff members, by the nature of their work, are in close contact with clients and their personnel and bear responsibility for strict adherence to the AICPA rules of professional conduct and those of the State Board of Accountancy. Every member of the professional staff is expected to be thoroughly familiar with the various rules of professional conduct. These are set forth in the Firm's Quality Control document which is handed out at new hire orientation and maintained on the RPB Links Page.

### **Independence**

All personnel are required to adhere to the independence rules, regulations, interpretations and rulings of the AICPA, the state board of accounting and the WICPA. The interpretations and rulings are contained in ET Section 101 of the AICPA Professional Standards service and should be consulted when issues of independence arise.

Annually, the Firm's current client list will be made available to all partners and professional staff for their review to ensure that they are aware of those entities to which the Firm's independence policies and procedures apply.

Representation will be obtained from all personnel on an annual basis and upon employment from newly-hired personnel confirming that (1) they are familiar with the Firm's independence policies and procedures (2) prohibited investments are not held and were not held during the period (3) prohibited relationships do not exist (4) transactions prohibited by the Firm have not occurred and (5) they have reviewed the Firm's current client list. Employee Independence Representation forms will be distributed annually to all personnel by the Human Resources Manager.

The following list describes situations which may impair the Firm's independence:

1. Direct or indirect financial relationships – loans to or from clients; stock ownership in a client firm or joint ownership with a client in another firm; or a family member has financial interest in the client.
2. Family relationships – a family member works for a client.
3. Participation in management – serving as a director of an organization or assuming the role of employee or management.

The Quality Control Partner is available to provide guidance on independence matters and has responsibility for resolving independence questions. The Quality Control Partner will consult with the AICPA or state societies for assistance in resolving questions of independence which cannot

be resolved satisfactorily within the Firm. A memorandum documenting the resolution of independence questions will be prepared by the Quality Control Partner.

### **Quality Control Policy**

All employees will be required annually to review the Firm's Quality Control Policy which is located on the RPB Links Page and send to the HR Department an acknowledgement that they have read the policy.

### **Affiliations Outside the Firm**

As a general rule, the independence requirement precludes professionals from acting as officers or directors of other corporate or business enterprises, private or public. This does not apply to charity, church, club, or civic activities for which no compensation is received and if the organizations are not clients.

In addition, no member of RPB may service, without consent of the Partners, as the following:

1. A trustee of a client
2. An executor or administrator of the estate of any individual who, at the time of death, was a client or an executive or shareholder of a client
3. A trustee of any trust during the lifetime, or by will of, any individual who, at the time of creation of the trust or the time of death, was a client or an executive or shareholder of a client

Notwithstanding the above general policy, staff members are authorized to become executors, administrators, or trustees in the administration of the affairs of the members of their immediate families, even though those members may be clients of the Firm.

Where a staff member serves in any case as an executor, administrator, or trustee, it will be presumed (except in cases of the immediate family) that such an appointment arose in connection with the relationship as an employee of the Firm. Hence, any fees earned as a result of such service are payable to the Firm. Time spent on any such fiduciary activity should be reported (and will be paid for by the Firm) in the same manner as time spent on any other client activity.

### **CONDUCT AT THE CLIENT'S OFFICE**

#### **Appropriate Conduct**

- After spending much time with client personnel, close personal relationships may arise. While a friendly attitude is to be encouraged, long personal discussions with client employees during working hours should be avoided. Such disruptions of work are bound to be resented by the client's executives.
- As a general rule, discussions with client employees during work hours should include only those matters pertinent to their department and level of responsibility.
- Discussions about internal Firm matters with client personnel should not take place during work time.
- Refrain from discussing personal matters or personal problems with client personnel during work hours.
- Refrain from comments or criticism about the work, fees, or other characteristics of other public accounting firms during work hours.
- Exercise care not to discuss the shortcomings or idiosyncrasies of client personnel.
- Avoid all talk about client matters in elevators, restaurants or other public places.
- Do not discuss procedural problems (such as audit tests), technical questions, and/or controversies in the presence of client employees.

- Do not make purchases from clients other than at their normal sales price.
- Do not borrow money from a client.
- Do not solicit clients for charitable donations.
- Clients may occasionally offer you gifts, such as at Thanksgiving or Christmas time. A token gift may be accepted provided it is a noncash item worth less than twenty-five dollars. Cash or any item valued at more than twenty-five dollars must be tactfully refused. All such offers should be reported to the Partner in charge of the engagement or assignment.
- Staff members are expected to use discretion in entertaining clients, in or out of town. If entertainment seems inappropriate, discuss the matter with the Partner.
- If a client makes an employment offer to you, be sure to discuss it immediately with the partner-in-charge. If you wish to be placed at one of our client organizations, the Firm will assist you in achieving that goal.
- In dealing with all municipal or governmental officials, the State's ethics code must be followed. To avoid any questions, our policy is that an employee of RPB must receive written authorization prior to any expenditure.

#### **Discussion with Clients**

Discussions of significance with clients or requests for opinions on important tax or accounting matters should be brought immediately to the attention of the Principal or Partner. It is the latter's responsibility to decide how the matter should be handled and to prepare a written memorandum on the subject, if appropriate.

#### **Recommendations to Clients**

A temptation resulting from daily exposure to client operations may include making informal recommendations, comments or criticisms regarding the client's personnel or accounting system. Staff accountants should make such recommendations only to their immediate superior on the engagement. Your recommendations should be in writing.

#### **Care of Client Records**

Clients may judge us by the care we take of their records. If we are sloppy and careless with their files and records, it may be concluded that we have the same attitude toward our technical work. Therefore, it is our responsibility to handle client material with particular care. Records should not be written on or disfigured in any way. If possible, you should ask client personnel to obtain all material from the files and to return it. It should be returned in the same condition it was in when you received it.

If it is necessary to remove client records from the premises, the client should be given a detailed, signed receipt, a duplicate of which is retained by the staff person and placed in the correspondence file for that client. When returned, the staff person should request a signed acknowledgement of receipt, which should also be filed in the correspondence file. Records should not be taken from a client's premises without their consent.

#### **Client's Office Regulations**

You are expected to observe the client's office regulations regarding breaks, lunch hours, etc. Working hours should be adjusted to the client's schedule whenever possible.

- The first commute from home to a work assignment and the last commute from a work assignment to home are not billable unless it exceeds thirty minutes. If your normal commute is longer than thirty minutes then it is considered time worked after your normal commute time.
- Any commute to a client from the office first thing in the morning is billable time provided you came in to the office to do a substantial amount of billable work (i.e.: 1 ½ hours +) before leaving for that client's location.
- Any commute after 5pm to the office from a client is billable time provided you are returning to the office to do a substantial amount of billable work (i.e.: 1 ½ hours +).
- Travel time spent on incidental events such as fuel stops, meal breaks or personal errands unrelated to work assignments is not considered worked time.
- Any client-work related out of town travel on the weekend is considered work time from when the time travel commences and should be billed to the client.
- Any out of town travel on the weekend (i.e. to/from a conference) that isn't client work time is not paid time.
- Once an employee finishes out of town client fieldwork and is no longer working on billable client matters, they are no longer on work time. For example, time spent sleeping, eating and in leisure activities while at out of town/overnight client assignments is not worked time.
- Time spent marketing and recruiting is considered reimbursable admin non-billable time at the discretion of a Partner.

### **Travel Mileage**

Included in all exempt employees' salary is a \$600 travel allowance. Once an employee depletes the \$600 allowance, all additional mileage will be reimbursed on a bi-weekly basis at the current IRS rate. Tracking of mileage will be considered based on a calendar year. Reimbursement is based on the shorter of the distance from the office to the client or from the employee's home to the client.

Employees are responsible for entering all mileage into the time system on a daily basis as unbillable mileage (Code 4B605), are to enter the Admin code for the client name entry and include the client name in the memo entry. Partners may elect to have you charge billable mileage in certain circumstances.

All overnight travel mileage is reimbursable and should be billed to the client.

There is no prorated reimbursement of earned or unused travel allowance upon termination (voluntary or involuntary) from the Firm.

encouraged to commute when the length of traveling time will affect their capacity to work without fatigue.

On out of town engagements, staff members may need to use their own credit cards for expenses, and they will be reimbursed for reasonable meals and lodging expenses incurred. All claimed expenditures must be listed on the expense report and supported by receipts. Expense reports should be submitted with time reports.

### **Use of Personal Automobile**

To use your own automobile on Firm business, you must carry adequate public liability and property damage insurance. This coverage must be a minimum of \$250,000 combined single limit of bodily injury and property damage. Proof of insurance coverage from the insurance card or declaration page of the policy must be provided upon hire and annually during evaluation time. The Firm carries third-party insurance to protect it against excessive claims, but this does not relieve you of your basic responsibility. Should you be involved in an accident while on Firm business, notify your insurance company and the Human Resources Department promptly, giving full details.

### **YOUR PAY**

#### **Payment of Wages**

Our workweek is Sunday through Saturday. Paydays are on Friday of every other week for work performed the previous two week period. If a regular payday falls on a holiday, employees will be paid on the preceding workday. All paychecks are paid by direct deposit.

#### **Wage Garnishments**

RPB will adhere to legally imposed wage assignments and garnishments, and will not modify the terms of those legal arrangements unless ordered to by a court. The Firm will deduct the administrative costs of complying with wage assignment and garnishment orders, up to the amount allowed by statute.

#### **Administrative Pay Corrections**

RPB takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday. In the event that there is an error for pay, the employee should promptly bring the discrepancy to the attention of the HR Manager so that corrections can be made as quickly as possible.

#### **Breaks/Meal Periods**

Non-exempt full-time hourly employees are scheduled for either a thirty (30) or sixty (60) minute unpaid lunch break, during which time employees are permitted to leave the Firm's premises. In addition, there is a 15 minute paid rest break for every four hours worked. You are not allowed to "combine" breaks. Neither lunch nor breaks may be used to account for an employee's late arrival or early departure or to cover time off for other purposes. Lunch and breaks may be taken at your work station, but absolutely no Firm work is to be conducted during that time. Lunch break times must be documented in the time entry system.

#### **Timekeeping Procedures**

All employees are required to keep an accurate record of daily time in the time system. Time is kept in minimum units of one-quarter hour. The workweek covers seven consecutive days

beginning on Sunday and ending on Saturday. The usual workweek period is 40 hours. If you are a full-time exempt employee and don't work 40 hours in a week you must use available PTO to bring your weekly total to 40 hours. All time incurred on client matters should be charged to the client involved. Non-Productive (NP) time should be kept to a minimum and when entered into time entry a memo is required explaining the nature of your NP time. All absences from work should be appropriately recorded. All time must be released by 9:00am each Monday. The electronic release of your time record is considered to be your sign-off certifying the accuracy of all time recorded.

Altering, falsifying or tampering with time records, or recording time on another employee's time record is prohibited and subject to disciplinary action, up to and including termination of employment.

### **Time Entry for Non-Exempt Employees**

Non-exempt employees are required to enter their daily start time, their lunch break and end time.

Non-exempt employees are prohibited from working "off the clock". Examples of prohibited behavior includes, but is not limited to: performing work duties while clocked out for lunch, before clocking in in the morning, or at the end of the day or taking job-related phone calls or e-mails during off hours. If you do conduct work during those times you must record that time as time worked.

### **Overtime**

Non-exempt employees who exceed 40 hours of work time in a workweek will be paid time and one half for those hours worked over 40. Paid leave, such as holiday, sick or vacation pay, does not apply toward work time. All overtime for nonexempt employees should be authorized in advance by your supervisor, manager, principal or Partner. Working unauthorized overtime is prohibited and may subject an employee to disciplinary action, up to and including termination of employment.

Exempt employees are expected to work as much of each workday as is necessary to complete their job responsibilities. Exempt employees are not paid time and one half, but instead receive the opportunity to earn an additional hour of PTO or an hour straight pay for all hours worked over 40 in a workweek. Principals are exempt from this benefit. Staff Accountants receive the opportunity to earn an additional hour of PTO or an hour straight pay for all hours worked over 40 in a workweek after they have worked the first 80 hours of overtime each calendar year.

### **Annual "Overtime" Expectations**

The exempt professional accounting staff is expected to work "overtime" hours - hours over the standard 2,080 - each calendar year. The expectations are as follows:

Managers	240+ hours
Senior Accountants	200+ hours
In-Charge Accountants	160+ hours
Staff Accountants	120+ hours for CPAs
	80+ hours for those studying for CPA exams
New Hire Staff Accountants	80+ for the first year

### **Client Non-Productive Time (CNP)**

The purpose of this classification is to assure that employees achieve an eight (8) hour day regardless of the client's shortened hours. It is not available for any day in which an employee otherwise works at least eight (8) hours. Example: You work from 8:00am to 4:30pm at the client's office and return to office to work two additional hours. You would report 9 ½ hours for that day assuming you took the standard one-hour lunch break. If you went home for the day at 4:30pm you would charge the CNP classification for the ½ hour.

### **Reimbursement of Expenses**

Receipts for expenses incurred by employees must be turned in to the Payroll Specialist. The expenses must also be entered into the time system. Employees must have approval from a partner prior to spending more than \$100 per expense. Expense reimbursement will be added to employee bi-weekly paychecks. RPB reserves the right to be repaid through a payroll deduction for any expenses which are not approved.

### **Travel Time and Mileage Reimbursement**

It is the policy of RPB to pay travel time and reimburse eligible travel costs when Firm employees are required to travel on behalf of RPB. The rules governing exempt (salaried) and non-exempt (hourly) RPB employees are different and detailed below.

#### **PROCEDURE: LOCAL TRAVEL TIME & MILEAGE REIMBURSEMENT**

##### **Non-exempt RPB Employees:**

Travel Time is considered worked hours and paid at the non-exempt employee's normal hourly rate (or overtime rate if eligible), except that the first commute from home to a work assignment and the last commute from a work assignment to home are not considered worked time. If the time commuting from home to the client and from the client to home is longer than the employee's normal commute time getting to and from the office, employee will be reimbursed for time beyond the normal commute time. Time spent on incidental events such as fuel stops, meal breaks or personal errands unrelated to work assignments are unpaid. After arrival to the non-exempt employee's first work assignment of each day, subsequent work-related travel, such as between RPB and client offices is considered worked time, regardless of whether it is billable to the client.

Travel Mileage by personal vehicle is considered reimbursable at the current IRS rate, except the employee's first commute from home to work assignment and the employee's last commute from work assignment to home, which are not considered work related. If the employee's mileage from home to the client and from the client to home is higher mileage than office to client/client to office, the difference in the total miles will be reimbursed. Mileage driven for incidental events such personal errands unrelated to work assignments is unpaid. Mileage should be billed to client.

##### **Exempt RPB Employees:**

Travel Time – For purposes of determining eligibility for the RPB PTO Bank, total worked hours, including eligible travel time, is recorded in the RPB time system.

- Any travel time between the hours of 8am and 5pm is billable. (An example of an exception to this would be if your first client appointment isn't until 9am and it is your first commute from home, then the commute there would not be billable – unless the next bullet point situation applies.)

The term *serious injury or illness* means: 1) In the case of a member of the Armed Forces, an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member's office, grade, rank or rating. 2) In the case of a veteran who was a member of the Armed Forces at any time during a period when the person was a covered service member, a qualifying injury or illness that was incurred by the member in line of duty on an active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

**Employee Status and Benefits During Leave:** While an employee is on leave, the company will continue the employee's health benefits at the same level and under the same conditions as if the employee had continued to work. The employee will be responsible for paying for his/her portion of the insurance premiums while on leave.

**Employee Status After Leave:** An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from the health care provider. Upon return from the leave, the Firm will make every effort to return you to the same position. The Firm cannot guarantee that this will be possible in every situation; however, you would return to an equivalent level position with equivalent pay, benefits and other terms and conditions of employment.

**Use of Paid and Unpaid Leave:** All accrued and banked PTO must be used with FMLA leave. Disability leave for the birth of a child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA.

**Intermittent Leave or a Reduced Work Schedule:** The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced-hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill services member over a 12-month period).

**Certification for Leave:** The Firm will require certification for all of FMLA leaves. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

**Recertification:** RPB may request recertification for the serious health condition of the employee or the employee's family member when circumstances have changed significantly, or if the employer received information casting doubt on the reason given for the absence, or if the employee seeks an extension of his/her leave. Otherwise, the Firm may request recertification for the serious health condition of the employee or the employee's family member every six months in connection with an FMLA absence.

## **TIME OFF/LEAVES OF ABSENCE**

### **Holidays**

RPB recognizes seven paid holidays each year:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day
- Full-Time employee's choice of either the Friday after Thanksgiving, Christmas Eve, or New Year's Eve - a full 8-hour day or a combination (i.e. ½ day on X-mas Eve and ½ day on New Year's Eve) may be taken

### **Holiday Pay for Part-Time Employees**

Part-time employees who have been employed for at least one full month enjoy the benefit of holiday pay. In order to have consistency throughout the Firm we have devised a policy for holiday pay for part-time employees (or in some cases employees whose hours vary throughout the year).

The Policy is:

Employees who work 0-19 hours per week will be eligible for 2 hours of Holiday Pay.

Employees who work 20-28 hours per week will be eligible for 4 hours of Holiday Pay.

Employees who work 29-36 hours per week will be eligible for 6 hours of Holiday Pay.

Employees who work 37+ hours per week will be eligible for 8 hours of Holiday Pay.

The total number of hours for the "floating" holiday will be based upon the employee's average number of hours worked the previous month to said holiday.

The number of hours worked per week will be based upon the employee's average number of hours worked the previous month to said holiday.

### **Paid Time Off (PTO) – Accrued**

Vacation, sick pay and personal time off are combined into one PTO-Accrued category. Part-time employees receive PTO time based upon total hours worked each month. Hourly full-time eligible employees receive 15 days (120 hours) of PTO in a calendar year for years 1 through 9. All full-time salaried employees receive 13 ½ days (108) hours of PTO in a calendar year for years 1 through 9. From year 10 through year 14 an extra day is earned each year, for a total of 5 days. At year 20 and at year 25 one additional week is earned. PTO is accrued on a monthly basis, starting with the first full month of employment.

Employees can carry over a maximum of 80 PTO hours from one year to the next. Any PTO hours above 80 remaining at the end of the year will be lost. There is an exception to the 80 hour PTO carry-over policy. If an employee has a maternity or paternity leave planned or any other FMLA qualified even taking place, the following year then, at the discretion of the Partners, an additional 80 hours of PTO may be carried over to help cover that time (for a total of 160 hours). All PTO must be used while on the FMLA leave. Human Resources must approve the carry-over of the additional paid time.

If employment is terminated, accrued PTO hours will be paid at current hourly salary rate. However, PTO does not accrue until the end of the month. You must be employed through the end of the month in order to receive the accrued PTO hours for that final month.

#### **Paid Time Off (PTO) – Banked**

Full-time exempt employees receive the benefit of earning additional PTO, called Banked PTO. For every hour worked over 40 in a workweek, the employee may choose to either take an hour of PTO to bank or receive an hour of pay at that employee's hourly pay rate. Employees should use banked PTO hours before using accrued PTO hours. Principals are exempt from this benefit. Staff Accountants receive this benefit after they have worked the first 80 hours of overtime each calendar year.

#### **Family and Medical Leave Act**

It is the Firm's policy to provide leave in accordance with the federal Family and Medical Leave Act (FMLA) and with the Wisconsin Family and Medical Leave Act. The two policies run concurrently. The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law. To qualify, employees must meet the following conditions:

- The employee must have worked for the Firm for at least twelve months or 52 weeks, even if the months or weeks were not consecutive. Separate periods of employment will be counted, provided that the break in service does not exceed seven years. Separate periods of employment will be counted if the break in service exceeds seven years due to National Guard or Reserve military service obligations or when there is a written agreement stating the employer's intention to rehire the employee after the service break. For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee is on leave during the week.
- The employee must have worked 1,250 hours of service during the 12-month period immediately preceding the leave. Hours "worked" does not include paid holidays or other paid or unpaid leaves.

FMLA entitles eligible employees up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) of unpaid leave in a rolling 12-month period for the following reasons:

- The birth of a child and in order to care for that child.
- The placement of a child with the employee for adoption or foster care and to care for a newly placed child
- To care for a spouse, son, daughter, or parent who has a serious health condition.
- For a serious health condition that makes the employee unable to perform the essential functions of his or her job. A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or as a condition that requires continuing care by a licensed health care provider.

This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care

provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year. Employees with questions about what illnesses are covered under this FMLA policy are encouraged to consult with the Human Resources Manager.

- Qualifying exigency leave for families of members of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty.

An employee whose spouse, son, daughter or parent has been notified of an impending call or order to covered active military duty or who is already on covered active duty may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service. The qualifying exigency must be one of the following: a) short-notice deployment, b) military events and activities, c) child care and school activities, d) financial and legal arrangements, e) counseling, f) rest and recuperation, g) post-deployment activities, and h) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

Covered *active duty* means:

- In the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country.
- In the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty under a provision of law referred to in Title 10 U.S.C. §101(a)(13)(B).

The leave may commence as soon as the individual receives the call-up notice. (*Son or daughter* for this type of FMLA leave is defined the same as for *child* for other types of FMLA leave except that the person does not have to be a minor.) This type of leave would be counted toward the employee's 12-week maximum of FMLA leave in a rolling 12-month period.

- Military caregiver leave (also known as covered service member leave) to care for an injured or ill service member or veteran.

An employee whose son, daughter, parent or next of kin is a covered service member may take up to 26 weeks in a single 12-month period to take care of that service member. *Next of kin* is defined as the closest blood relative of the injured or recovering service member.

The term *covered service member* means: 1) A member of the Armed Forces (including the National Guard or Reserves) who is undergoing medical treatment, recuperation or therapy or is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness. 2) A veteran who is undergoing medical treatments, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces (including the National Guard or Reserves) at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation or therapy.



### **401(k) Savings Plan**

You will be eligible to enroll in the RPB 401(k) Savings Plan on the first day of the quarter after you have completed six months of service with the Firm. You will be allowed to defer between 2% and 100% of your salary. These accounts will be invested based upon your election according to the investment vehicles of the plan.

### **Profit Sharing Plan**

All employees 21 years of age and older become eligible to participate in the Profit Sharing Plan after completion of one year of service. The plan is completely funded by RPB. The percentage awarded on this plan is based upon the performance of RPB and determined by the Managing Board.

### **Worker's Compensation Insurance**

All employees are covered under a Worker's Compensation insurance policy at the Firm's expense for job-related accidents. The Human Resources department must be notified immediately of accidents of any nature whether or not a claim will be made under the provisions of the policy.

### **Employee Assistance Program (EAP)**

The employee assistance program (EAP), WorkLifeMatters, provides support and guidance for matters that range from personal issues you might be facing to providing information on everyday topics that affect your life. The EAP is strictly confidential and is provided by the Firm at no cost to employees.

### **Tuition Assistance Program**

The Tuition Assistance Program is available to all full-time employees who are taking courses at accredited educational institutions or business schools.

#### **Eligibility:**

- The employee must have a Bachelor's degree and have completed eight months of continuous full-time service with the Firm before applying for tuition assistance.
- The employee must be performing current job duties and responsibilities at a meets or exceeds expectations level.
- The course must be directly related to the employee's current position.
- The course must be approved in advance by the HR Manager.
- Courses must be scheduled outside the employee's work hours, and course work must be completed on the employee's own time.
- Each course must be applied for separately and shall be evaluated on its individual merits.

#### **Reimbursement:**

- Payment will include registration fees and tuition expenses. Reimbursement will be up to 80% of the fees and expenses, not to exceed \$500 per credit. All other costs will be the responsibility of the employee.
- Upon completion of the course, the employee shall submit a certificate of completion to the HR Manager.
- The employee must satisfactorily complete the course with a grade of a "B" or higher.
- An employee who leaves the Firm, either voluntarily or involuntarily, while enrolled in a course or within two years after completion of a course will be responsible for

**Procedure for Requesting FMLA Leave:** All employees requesting FMLA leave must provide the HR Manager verbal or written notice of the need for the leave. Within five business days after the employee has provided this notice, the HR Manager will provide the employee with the DOL Notice of Eligibility and Rights. When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must provide notice as soon as possible.

**Designation of FMLA Leave:** Within five business days after the employee has submitted the appropriate certification form, the HR Manager will provide the employee with a written response to the employee's request for FMLA leave.

**Intent to Return to Work from FMLA Leave:** RPB may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

### **Personal Leave of Absence**

After one year of employment, employees who require time off in addition to vacation may request a personal leave of absence without pay. The request should be submitted to the HR department. Each request will be reviewed on a case-by-case basis with job performance, absenteeism and business needs all taken into consideration before a request is approved. If the leave is granted, the employee must return to work on the scheduled return date or be considered to have voluntarily resigned from his/her employment.

### **Bereavement Leave**

Following the completion of thirty (30) days of employment, full-time employees who experience the death of an immediate family member (mother, father, mother-in-law, father-in-law, spouse, life-partner, son, daughter, sister, brother, or grandchild), you will be given time off without loss of pay, for a period of up to three (3) days (part-time employees receive up to 1.5 days), to be with your family. For a family member that is not an immediate family member you will be given time off without loss of pay for up to four (4) hours (part-time employees receive up to 2 hours), to be with your family. Time off exceeding those amounts may be taken without pay or an employee may also use PTO as compensation during a bereavement leave of absence. You must notify the HR department as soon as possible of your need for time away from work. Time off for bereavement leave will not be counted as hours worked for computing overtime.

### **Jury Duty**

The Firm believes that jury duty constitutes a civic responsibility, and you will be compensated for time spent on jury duty up to five (5) days (part-time employees receive up to 2.5 days pay). You should return to the office once you are released from jury duty. You should turn over or reimburse the Firm for all juror fees you receive. Since jury calls sometimes arise at times that are inconvenient for the individual or the Firm, we will use such means as are legitimate and necessary to obtain postponements of service to a more convenient time.

### **Voting Time**

All employees should be able to vote either before or after regularly assigned work hours. However, when this is not possible due to work schedules, RPB will provide an employee up to

three (3) hours of unpaid time off to vote if the employee requests the time off prior to the day of the vote or election.

### **Inclement Weather**

RPB does not close the office for weather-related events; the facility is always open and available to work at regardless of weather conditions. At times, severe weather conditions will prevent employees from safely getting to work – your safety is the most important issue. In the face of severe weather, staff is expected to anticipate conditions and communicate with their team supervisor, Partner or Principal or HR Manager and affected clients – and then select from among the following actions:

1. Work from home by taking a laptop and/or sufficient work home, or
2. Take a PTO day, or
3. Combination of each (e.g., 4 hours of work and 4 hours of PTO), or
4. Make up lost time:  
Exempt staff may make up lost time any time in the same pay period.  
Non-exempt staff may make up lost time any time in the same workweek.

For mid-day storms, in the interest of safety, early departure from work is an option. Again, communicate your plans to teammates and clients.

### **Military Leave of Absence**

RPB is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the Firm's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his/her rights under applicable law or Firm policy. If any employee believes he/she has been subjected to discrimination in violation of Firm policy, the employee should immediately contact the Human Resources department.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence.

Upon completion of the leave for military duty, the Firm will make every effort to return you to the same position. The Firm cannot guarantee that this will be possible in every situation; however, you would return to an equivalent level position with equivalent pay, benefits and other terms and conditions of employment.

Employees requesting leave for military duty should contact Human Resources to request leave as soon as they are aware of the need for leave.

### **Lactation/Breastfeeding**

For up to one year after a child's birth, any employee who is breastfeeding her child will be provided reasonable break times as needed to express breast milk for her baby. RPB will

designate a private area for this purpose. Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

### **BENEFITS**

The following outlines the current benefits provided by RPB. In the event that the policy language of the plan conflicts with this handbook, the policy language governs. All benefits may be changed or eliminated at the Firm's discretion.

#### **Short-Term Disability**

You will be eligible for short-term disability on the first of the month after thirty (30) days of employment. The Firm pays the entire cost of this protection. There is a 7-day waiting period once a claim is filed, but the Firm will provide full pay for the 7-day waiting period (it typically is 5 days of pay due to the weekend days). Details of the plan are outlined in a booklet that will be given to you. Disability coverage may be changed or eliminated at the Firm's discretion.

#### **Long-Term Disability**

You will be eligible for long-term disability coverage after you have depleted your short-term disability. The Firm pays the entire cost of this protection. Details of the plan are outlined in a booklet that will be given to you. Disability coverage may be changed or eliminated at the Firm's discretion.

#### **Life Insurance**

You will be eligible for group term life insurance coverage on the first of the month after thirty (30) days of employment. The Firm pays the entire cost of this coverage. You are also provided the option for voluntary additional life insurance coverage. Details of the plan are outlined in a booklet that will be given to you. Insurance coverage may be changed or eliminated at the Firm's discretion.

#### **Health, Dental & Vision Insurance**

If you are employed by RPB on a regular, full-time basis, you, your spouse/domestic partner and children are eligible for health, dental and vision coverage on the first of the month after thirty (30) days of employment. If you don't enroll at that time and wish coverage at a later date, you must have a qualifying event or wait until open enrollment. RPB pays 75% of the health insurance premium. The Firm also provides an HRA which pays for a portion of your annual deductible. Details of the plans are outlined in booklets that will be given to you. All insurance coverages may be changed or eliminated at the Firm's discretion.

#### **Health Savings Accounts (HSA)**

RPB offers an option to open a Health Savings Account (HSA). If you have health insurance coverage which is an HSA qualified plan, you have the option to open an HSA and have your contributions made through payroll deductions.

#### **AFLAC**

You will be eligible for various Aflac coverages on the first of the month after thirty (30) days of employment. These are voluntary elections that are not covered by the Firm. Details of the plan are outlined in a booklet that will be given to you.

False and malicious complaints of harassment, discrimination or retaliation may be subject to disciplinary action, up to and including termination of employment.

## RULES OF CONDUCT

RPB's Rules of Conduct spell out some of the basic expectations of RPB employees. This list is not all inclusive and the Firm may undertake disciplinary actions for behavioral or performance issues not listed here. At all times, RPB expects its employees to:

- Demonstrate RPB values and uphold the highest ethical standards, including being honest and forthright
- Demonstrate commitment to RPB in word and deed
- Respect the confidentiality of clients and take exceptional care to safeguard their data
- Attain or exceed minimum productivity expectations (<15% non-productive hours)
- Meet client and RPB deadlines and highest standards for accuracy in one's work
- Show respect, kindness, courtesy and consideration toward clients and colleagues
- Recognize or anticipate problems – proactively and effectively communicate potential solutions
- Be a good steward of RPB equipment, resources and reputation
- Demonstrate a commitment to professional growth, including, for accountants, getting a CPA
- Retain skills and credentials, including, for accountants, meeting CPE requirements
- Maintain a positive approach to work, clients and colleagues
- Refrain from making defamatory or maliciously false remarks
- Deal straightforwardly with RPB management about any concerns or worries
- Be at one's workstation or client location ready to begin work at the time scheduled
- Provide timely notice of absences and tardiness to appropriate Partner and/or HR
- Work diligently and attend to duties while at work; minimize personal calls, e-mails and web surfing
- Use consistent and exceptionally sound judgment; seek clarification or help if unsure
- Dress appropriately and in accordance with RPB's dress code
- Take reasonable precautions and follow reasonable safety practices
- Immediately report work-related injuries or illnesses to HR
- Immediately report lost or stolen equipment or data
- Demonstrate a willingness to pursue additional skills and cross-train with others
- Share information appropriately and assist in the development of others

Failure to meet these or other reasonable work expectations may result in disciplinary action up to and including termination.

## PROGRESSIVE DISCIPLINE

Every employee has the duty and the responsibility to be aware of and abide by existing rules, policies and procedures. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established.

RPB supports the use of progressive discipline to address issues such as poor work performance, attendance issues or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues.

reimbursing the Firm for all registration fees and tuition expenses paid by the Firm for the course.

- Payments received under this program may be subject to taxation.

Approval Process:

- The Request for Tuition Assistance form must be submitted by the employee to the Human Resources Manager.

## Practice Development

The firm encourages all personnel to bring in new clients and expand services to present clients. Such efforts must be within the ethics of the profession. Consideration of such efforts will be appropriately recognized. The firm will be free to reject or discontinue an engagement at any time for reasons set forth in the Firm's Quality Control document. New clients obtained by you who become regular clients of the firm are handled according to our usual policies and procedures. It is the practice for the firm to pay a bonus of up to 10% of the first year client billings to any employee, except principal or partner, who brings in a new client with total billings of \$1,500 or more for the first year. **The bonus percentage is at the discretion of the partnership and consideration will be given to the realization of the job.** The bonus will be paid to you after the client fees have been collected.

- Business and related entities are considered one client
- The "first year" starts when the work for the client begins, not necessarily when the client is brought on
- Should be tracked by the Partner or Principal, but also by the employee
- Additional/new work for an existing client after the first year does not qualify for a bonus

## Professional Development

As required by professional standards, all professional staff must obtain CPE credits. CPE time and expenses will be reimbursed by the Firm if approved by the Partner in charge of tracking CPE.

Full-time Accounting Services Department employees are required annually to obtain QuickBooks ProAdvisor Certification (desktop and/or online). They are allowed a minimum of 20 hours of CPE annually. During the first year of employment the CPE hours must be used to obtain their certification. In subsequent years the CPE hours must be used to maintain their annual certification and any remaining hours may be used for advanced certifications and additional training, courses, seminars, etc. with prior approval from the director of the department. At the discretion of the Partners, those who perform accounting services duties on a part-time basis may be eligible for this benefit.

## CPA Examinations

The Firm pays for time spent sitting for the CPA exams. Payments will be at the employee's hourly salary rate. Upon the successful completion of the entire exam the Firm will reimburse the employee the fee in Wisconsin for applying for four exam sections at once (currently \$974.08). If you leave within two years of reimbursement, the reimbursement will be refundable to the Firm. Employees are responsible for the cost/time of the Ethics test.

## **Employee Referral Program**

The Firm will pay a \$500 bonus to an employee who refers a candidate who is hired by RPB. The bonus is paid after the new employee has been employed for 90 days. At times employees may be offered a different referral bonus for filling specific positions. In those cases, an e-mail will be sent to all employees making them aware of the bonus.

## **RPB'S ANTI-HARASSMENT POLICY AND COMPLAINT PROCEDURE**

RPB is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, RPB expects that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment.

It is the policy of RPB to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. RPB prohibits any such discrimination or harassment.

RPB encourages reporting of all perceived incidents of discrimination or harassment to HR or a Partner. It is the policy of the Firm to promptly and thoroughly investigate such reports. RPB prohibits retaliation against any individual who, in good faith, reports discrimination or harassment or who participates in an investigation of such reports.

## **Definition of Harassment**

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment; or (4) the harassment is perpetrated by a managerial level employee who is in a position of responsibility.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending upon the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has

the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

## **Individuals and Conduct Covered**

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to the Firm (e.g., an outside vendor, consultant, or client).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

## **Complaint Process**

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with Human Resources or any of the Partners.

When possible, RPB encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his/her behavior is unwelcome and request that it be discontinued. Often this action will resolve the problem. RPB recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

The Firm encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action. You will be advised of the results but not necessarily the discipline.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed. Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

Outlined below are the steps of our progressive discipline policy and procedure. RPB reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines RPB's progressive discipline process:

- **Coaching and Counseling:** Counseling sessions are given to raise an employee's awareness of poor performance or disruptive behaviors and provide specific recommendations for solution.
- **Verbal warning:** This is given at the first offense of a minor offense or at the first sign of poor performance. It includes a problem-solving discussion, allowing both the supervisor and the employee to address concerns and encourages self-correction. Although the warning is verbal, written documentation signed by the employee is placed in the employee's file.
- **Written warning:** A written warning may follow a verbal warning or may serve as a first action based on the seriousness of the offense or poor performance. These warnings advise the employee that the behavior or performance is unacceptable and requires immediate correction. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning. Up to three written warnings may, but are not always, be given before termination of employment. The warnings do not have to be given for the same offense or poor performance issue.
- **Termination:** This is the most severe form of discipline administered. Terminations typically occur when all other forms of problem solving and disciplinary efforts have failed or when the seriousness of the offense warrants permanent removal of the individual from the workplace.

Just causes for accelerated discipline and/or immediate termination include, but are not limited to:

- Client abuse, neglect or harassment, either an alleged and substantively documented event, or failure to report evidence of such behavior in others
- Intentional and overt harassment of clients, colleagues or subordinates
- Threatening behavior or language toward anyone
- Negligence in the performance of duties
- Three consecutive days absent without calling in
- Theft or fraud
- Dishonesty, lying or deceitfulness
- Actions or inactions that might threaten a client relationship, including, but not limited to:
  1. Lack of quality or timeliness in performance of duties on behalf of a client
  2. Failure, neglect or disregard for client relationship management
  3. Making defamatory or maliciously false statements about the Firm, clients, or fellow employees
  4. Ignoring, covering up or failing to report a serious issue with a client
- Willful or negligent damage to or loss of RPB property
- Disclosing confidential financial data or other non-public proprietary Firm information regarding business partners, vendors or clients

- Improper handling, safeguarding or loss of private, confidential or sensitive client or Firm data
- Unlawful possession or storage of drugs, knives and other weapons at work
- Gross violations of RPB's other HR policies and procedures

## **SEPARATION OF EMPLOYMENT**

### **Terminations**

- **Voluntary Termination/Resignation:** Although we hope your employment with RPB will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment. Resigning employees are encouraged to provide at least two weeks written notice to facilitate a smooth transition out of the organization. Management reserves the right to accept your resignation immediately. If an employee provides less than a two-week notice, the employer may deem the individual to be ineligible for rehire depending on the circumstances regarding the notice given.

Upon termination of employment, employees will be paid for unused earned PTO. Employees must be employed through the end of a month in order to earn the accrued PTO for that month. If you leave employment before the calendar year end, all of your banked and accrued PTO will be paid out at the rate you accrued it.

- **Involuntary Termination:** Employees of RPB are employed on an at-will basis, and the Firm retains the right to terminate an employee for any reason, with or without cause or notice, at any time.
- **Job Abandonment:** Employees who fail to report to work or contact the office for three (3) consecutive workdays shall be considered to have abandoned the job without notice, effective at the end of their normal shift on the third day. Employees who abandon their jobs will not be paid for unused accrued and/or banked PTO.
- **Retirement:** Employees who wish to retire are required to notify the Human Resources department in writing at least one (1) month before the planned retirement date in order to implement a smooth transition for our clients, employees, etc.

### **Reductions in Workforce**

While the Firm hopes to continue growing and providing employment opportunities, business conditions, client demand, and other factors are unpredictable. Changes or downturns in any of these or other areas could create a need to restructure or reduce the number of people employed. In light of these uncertainties, it may become necessary to conduct layoffs at some time in the future. RPB retains full discretion to select which employees will be laid off.

### **Exit Interviews**

Before leaving, we ask that you participate in a voluntary exit interview. This will provide closure to your employment with the Firm and will allow RPB to ensure that it has resolved various administrative matters, answered any questions about continuation of benefits, and listened to any of your comments or ideas about improving our operations.

### **Return of Firm Property**

The separating employee must return all Firm property at the time of separation, including laptops, scanners, key card, business cards, name tag, etc. Failure to return some items may result in deductions from the final paycheck.

Accrued PTO will be paid in the last paycheck. Health, dental and vision insurance terminates the last day of the month of employment. Life, STD and LTD coverage terminates the last day of employment. Information for Consolidated Omnibus Budget Reconciliation (COBRA) continued health coverage will be provided. Employees will be required to pay their share of the insurance premiums through the end of the month.

### **Employment References**

All job reference requests should be directed to the Human Resources Manager. It is RPB's policy to verify position held and dates of employment only.

## EMPLOYEE HANDBOOK ACKNOWLEDGEMENT AND RECEIPT

### I have received my copy of the Employee Handbook.

The employee handbook describes important information about Reilly, Penner & Benton, LLP (RPB), and I understand I should consult the Human Resources department regarding any questions not answered in the handbook. I have entered into my employment relationship with RPB voluntarily and acknowledge that there is no specified length of employment. **Accordingly, either I or RPB can terminate the relationship at will, with or without cause, at any time, so long as there is not violation of applicable federal or state law.**

I understand and agree that, other than the Partners of the Firm, no representative of RPB has any authority to enter into any agreement for employment other than at will.

This handbook and the policies and procedures contained herein supersede any and all prior practices, oral or written representations, or statements regarding the terms and conditions of my employment with RPB. By distributing this handbook, the Firm expressly revokes any and all previous policies and procedures that are inconsistent with those contained herein.

I understand that, except for employment at will status, any and all policies and procedures may be changed at any time by RPB, and the Firm reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies.

**I understand and agree that nothing in the Employee Handbook creates, or is intended to create a promise or representation of continued employment and that employment at RPB is employment at will, which may be terminated at the will of either myself or RPB. Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document.** I understand that employment and compensation may be terminated with or without cause and with or without notice at any time by RPB or me.

I have received, read and understand the contents of the employee handbook. I acknowledge that it is my responsibility to comply with the policies and procedures contained in this handbook and any revisions made to it.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Name (Printed)

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