

## CHAPTER XII INTERNATIONAL OFFICE & STAFF

### A. LCI'S SALARY ADMINISTRATION PROGRAM

LCI administers salary administration programs in each country in compliance with their laws and/or customs. The salary administration program recognizes performance, ability, local market rates and, where appropriate, longevity. The percentage of adjustments made to the salary structure and salary increase budget will be reported to the Executive Committee and the Finance and Headquarters Operation Committee. These adjustments will be in accordance with each country's local labor laws and existing labor market rates.

1. When appropriate to a country's customs, a job description shall be written and a salary range established for each position of employment in the association.

~~2. Salary surveys shall be conducted at least annually to assure the salary ranges and salary increase budget figures used by the association are comparable to salaries paid in the existing labor market. The salary budget figures and adjustments to salary ranges shall be reported to the Executive Committee and the Finance and Headquarters Operation Committee of the International Board of Directors.~~

2. Salary surveys shall be conducted at least annually to assure the salary ranges and salary increase budget figures used by the association are comparable to salaries paid by existing labor market. The salary budget figures shall be reviewed and approved by the Finance and Headquarters Operation Committee at the March/April board meeting. Appropriate adjustments to salary ranges shall be reported to the Finance and Headquarters Operation Committee.

3. Managers are responsible for instituting the process of performance review and, if merited, salary increases. A performance review shall be conducted for all employees at least annually. No salary increases shall be processed without a performance review. In the case of the administrative officers, a performance review shall be conducted annually by the Executive Committee.
4. Salary increases shall be subject to approval by management, the treasurer, and the executive administrator. A budget figure for salary increases for division managers shall require the approval of the Executive Committee of the International Board of Directors. Salary increases and/or bonuses for administrative officers shall be determined individually by the Executive Committee.

### B. BOARD MEETINGS & CONVENTION TIME OFF

Board Meetings and Conventions – A maximum of two workdays off may be given, in the discretion of the executive administrator, in recognition of extra services performed by personnel at board meetings and conventions. The executive administrator and the president, jointly, shall also have the authority to authorize additional time off in exceptional circumstances, not to exceed two days, for a total of ten days per year.

### C. DIVISION MANAGERS AND STAFF

The hiring and dismissing of division managers will be done by the executive administrator in consultation with the international president and executive committee. The executive administrator shall have the full authority to hire and dismiss all other LCI staff in accordance with local labor laws and customs.

### D. LABOR LAWS

The board of directors shall and hereby does direct the executive administrative officer to take all steps necessary to place the association, as an employer, in compliance with the labor and social benefit laws of countries where it has employees.

### E. TRAVEL RULES

#### 1. Travel Rules – Division Managers

When accompanied by spouses to board meetings and conventions, division managers shall be allowed 25% of the spouse's fare, up to a maximum of \$750, unless otherwise provided in employment agreements.

Division manager's air transportation shall be business class when scheduled flying time exceeds ten hours, not including time on the ground for connecting flights. The executive administrator shall have authority to approve business class fares for other staff members when job duties, excessive scheduled flying time, or other circumstances, in the opinion of the executive administrator, would warrant such approval.

#### 2. Convention Travel Rules – Department Managers

When accompanied by spouses to convention, department managers shall be allowed 25% of the spouse's fare, up to a maximum of \$500, unless otherwise provided in employment agreements.

### 3. Mileage Allowance

All employees of Lions Clubs International, other than international staff representatives, who are authorized to use their car or cars on Lions Clubs International business, shall be paid a reasonable mileage allowance in accordance to the customary practice of their respective countries.

### 4. Luggage Replacement

A reasonable amount is disbursed annually by the executive administrator to employees whose travel is extensive (beyond that to board meetings and international conventions) for the replacement of luggage.

### 5. Advance for Expenses

All employee expense claims shall be submitted at least monthly. If an advance has been issued, repayment shall be settled no later than thirty days after the trip has been completed.

## F. GROUP INSURANCE PLANS FOR EMPLOYEES

Lions Clubs International may provide a group insurance plan for employees in accordance with their local labor laws and customs.

## G. RETIREMENT

### 1. Retirement Income Plan

Lions Clubs International may provide a retirement income plan for employees in accordance with the customs and/or laws of their country. Benefits and provisions of the plan for U.S. employees are detailed in the master plan document and amendments, which have been approved by the International Board of Directors.

### 2. Retirement Income Plan – Administrative Committee

The Administrative Committee of the Retirement Income Plan for Employees of the International Association of Lions Clubs shall be composed of the first vice president, chairperson of the Finance and Headquarters Operation committee, the executive administrator and the treasurer. This committee shall, at least annually, review provisions of the plan and performance of the trust and shall make any recommendations to the International Board of Directors it deems advisable.

The executive administrator and/or treasurer are authorized to sign routine documents relative to the Retirement Income Plan on behalf of the Administrative Committee.

## H. VACATION POLICY

1. U.S. LCI full time employees will earn vacation time in accordance with the Headquarters Employee Handbook (Section 5-Time Off & Benefits). Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.
2. Earned vacations for administrative officers and division managers shall be as follows:

Administrative officers – Four weeks  
(Dates subject to approval of the president)

Division managers –  
Three weeks vacation after two years  
(Dates subject to approval of executive administrator or in his absence the treasurer)

3. Holidays observed by Lions Clubs International falling within the vacation period shall be added to the vacation time or be scheduled for another time by mutual agreement between the employee and the manager.
4. U.S. employee vacation time shall not be cumulative from one fiscal year to the next fiscal year, except for allowance of a maximum carryover of five (5) days. Unused vacation time, except for the carryover of five (5) days, shall be forfeited at the close of the fiscal year on June 30th. Salary payment in place of taking vacation time shall not be authorized. Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.

## I. OTHER FRINGE BENEFITS, HOURS, ETC.

### 1. 401K Savings Plan

U.S. LCI employees may be eligible to participate in a 401K savings plan. Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.

### 2. Holiday Policy

U.S. LCI employees will observe holidays in accordance with the Headquarters Employee Handbook (Section 5 – Time Off & Benefits). Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.

### **3. Sick Leave Policy**

Full time U.S. LCI employees will be provided sick leave in accordance with the Headquarters Employee Handbook (Section 5-Time Off & Benefits). Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.

### **4. Bereavement Leave**

U.S. LCI employees will be (at the discretion of management) paid for time-off up to 5 days in the event of the death of a family member. Family members are defined as: Spouse, child, parent, sibling, grandchild, grandparent, mother-in-law, father-in-law, brother-in-law, sister-in-law, or corresponding step-relations. Non-U.S. LCI employees will receive benefits in accordance with their local labor laws and customs.

### **5. Service Recognition**

LCI employees will be given service recognition awards after 5 years and at 5-year intervals thereafter.

### **6. Headquarters Hours of Operation**

With the exception of staff necessary to operate services required before 8:00 am or after 4:30 pm as approved by the executive administrator, the headquarters office hours of business shall be 8:00 am to 4:30 pm CST.

### **7. Employee Training Program**

Lions Clubs International shall have a program whereby U.S. employees hereafter shall have the opportunity to attend job-related seminars and schools with full reimbursement, subject to rules and procedures hereinafter (see EXHIBIT A).

In-house and external seminars and workshops may be presented based on association needs as determined by management subject to rules and procedures hereinafter (see EXHIBIT B).

### **8. Employment of Relatives**

With regards to U.S. LCI employees, it is Lions Clubs International's policy not to hire the relatives of any current employee for any full-time position within the organization. Additionally, the relatives of any current employee may not be employed in a part-time position in the same department. For the

purposes of this policy, "relatives" are defined to include spouses, children, parents, siblings, grandparents, grandchildren, or corresponding in-law or "step" relation.

In the event that an employee becomes related to another employee during their employment with the association, the employees must notify the Human Resources Department with as much advance notice as possible. In such a situation, Lions Clubs International will not permit related employees to work in the same department and will not allow any employee to be supervised by a relative at any level in the direct chain of command. In order to avoid any actual or potential conflicts of interest or favoritism, Lions Clubs International may, at the discretion of its management: (a) require one or both of the related employees to transfer to a position in another department, if an alternate position is available and the employee is qualified for that position, or (b) require one or both of the related employees to resign from their employment with the association. Lions Clubs International does not guarantee that alternate positions will be available for employees who become related during their employment with the association.

Non-U.S. LCI employees will comply in accordance with their local labor laws and customs.

### **9. Medical Checkups for Administrative Officers and Division Managers**

The association shall pay the cost for annual medical checkups for administrative officers and division managers. Such payment shall be limited to reasonable and customary rates as obtained annually by the Human Resources Department and shall not include any medical expenses provided under the group insurance plan for employees.

## **J. GENERAL**

### **1. Reimbursement of Salaries and Expenses in Local Currency**

Reimbursement to employees for salaries and expenses shall be made in the currency of the country in which they are employed.

### **2. Gifts From Commercial Licensees**

The International Board of Directors hereby prohibits all employees of the association from accepting gifts of any kind from both the

commercial licensees of the association as well as those who seek to become such licensees.

**3. Staff Candidacy for International Office**

Any member of staff intending to seek election or otherwise announce his/her candidacy for the offices of vice district governor, district governor, council chairperson, international director, or international executive officer, must resign his/her employment with the association at least two years prior to the date of the convention where he/she intends to seek election.

**4. Speaking Assignments**

Except in extraordinary circumstances approved by the president and executive administrator, international headquarters staff shall not be assigned as speakers representing Lions Clubs International at Club, District or Multiple District functions.

**EXHIBIT A**

**REIMBURSABLE U.S. EMPLOYEE TRAINING PROGRAM – RULES AND PROCEDURES**

	<b>ALL EXEMPT EMPLOYEES</b>	<b>ALL OTHERS</b>
Eligibility	All full-time	All full-time
Restrictions to kinds of seminars or courses	Must be job-related	Must be job-related
Annual limit to individual reimbursement	US\$1,300 (effective July 1, 2006) including fees and materials, but not travel	US\$650 (effective July 1, 2006) including fees and materials, but not travel
Reimbursement agreement	100% for passing grade 0% for failing grade	100% for passing grade 0% for failing grade
<b>Approval Sequence:</b>		
Budget Control and Record Keeping	Human Resources Department	Human Resources Department
Acceptability of school, sponsor and/or instructor	Human Resources Department	Human Resources Department
Approval or non-approval of individual request for participation	<p><b>For Department Managers and Other Non-Management Exempt Staff</b></p> <p>By Division Manager and Executive Administrator, or in his/her absence, the treasurer, with advice of Human Resources Department</p> <p><b>For Division Managers:</b> By Executive Administrator, or in his/her absence, the Treasurer, with advice of Human Resources Department</p>	<p><b>For All Non-Exempt Staff:</b></p> <p>By Department Manager, Division Manager, and Executive Administrator, or, in his/her absence, the Treasurer, with advice of Human Resources Department</p>

HEADQUARTERS' TRAINING PROGRAM – RULES AND PROCEDURES

	<b>ALL EXEMPT EMPLOYEES</b>	<b>ALL OTHERS</b>
Eligibility	All full-time	All full-time
Expense	Association pays all in advance	Association pays all in advance
<b>Approval Sequence:</b>		
Budget Control and Record Keeping	Human Resources Department	Human Resources Department
Acceptability of school, sponsor and/or instructor	Human Resources Department	Human Resources Department
Approval or non-approval of requests	<p><b>For Department Managers and Other Non-Management Exempt Staff</b></p> <p>By Division Manager and Executive Administrator, or in his/her absence, the treasurer, with advice of Human Resources Department</p> <p><b>For Division Managers:</b> By Executive Administrator, or in his/her absence, the Treasurer, with advice of Human Resources Department</p>	<p><b>For All Non-Exempt Staff:</b></p> <p>By Department Manager, Division Manager, and Executive Administrator, or, in his/her absence, the Treasurer, with advice of Human Resources Department</p>

## ETHICAL CONDUCT CODE

Ours is a business of service, and the manner in which the service is rendered is fully as important as the service itself. Our members, the International Board, officers, co-workers and communities expect honest and ethical conduct from each of us every day. No act or request on the part of the members, officers and the clubs within our association to whom and for whom we render services can justify the breach of this guideline. Honest and ethical conduct is defined by four core values that serve as the foundation for our Ethical Conduct Code:

**Integrity** – Lions Clubs insists on the highest standards of personal and professional integrity. We must all make every possible effort to safeguard the association's assets. We must also comply with all association policies and applicable laws.

**Accountability** – Lions Clubs expects all employees to honor the commitments made on behalf of the association and take individual responsibility for all actions and outcomes. We have a zero tolerance policy for ethical violations.

**Teamwork** – Lions Clubs seeks to maintain a work environment that encourages innovation, creativity and positive results through teamwork. We must all practice leadership to train, inspire and promote full participation and career development for all employees. We encourage open and effective communication and interaction.

**Excellence** – Lions Clubs is dedicated to fair treatment, mutual respect, diversity and trust. We must challenge each other to improve our services, our processes and ourselves. We must strive together to serve our membership and help the association achieve its goals.

Your job here begins with understanding of Lions Clubs' core values and Ethical Conduct Code; however, your role in the association demands an ongoing vigilance to maintain these standards of honest and ethical conduct. Additionally, this handbook contains other policies that are part of Lions Clubs' Ethical Conduct Code, such as: Employment Policy, Anti-Discrimination Guidelines, Alcohol & Drug Guidelines, PC Hardware/Software Guidelines, Internal E-Mail Policy, Disciplinary Policy, Conflict of Interest Policy, Fraud Policy, Gifts Policy, (other policies and policies contained in the Management Personnel Policy Manual). If any ethical or legal compliance issue arises that raises a question in your mind, you have a responsibility to bring that issue to the attention of management. As set forth in Lions Clubs' Conflict Resolution Procedure, you should bring ethical or legal compliance issues to the attention of your immediate supervisor, your Department Manager, your Division Manager, or the Human Resources Department.

You may also bring any ethical or legal compliance issues to the attention of the Administrative Officers (the Executive Administrator, Treasurer, or Secretary) or the Legal Division.

Lions Clubs' Ethical Conduct Code, along with the policies contained in this handbook provide a guide to help you understand what is expected from you and to help you make good decisions. Please join us in continuing Lions Clubs' tradition of honest and ethical practices in serving millions of people in need.

**FRAUD**

Lions Clubs International considers acts of fraud, misrepresentation or any other form of dishonesty committed by its employees to be reprehensible and such conduct will subject offending employees to strict disciplinary actions, up to and including termination of employment and possible civil and/or criminal action. While no list can identify all forms of fraud or dishonesty, some examples include submitting false expense reports, falsifying time sheets, association records, association financial reports or other association documents, abuse of sick time, theft, forging or altering checks, misappropriating association assets or funds, misusing association property and unauthorized handling or reporting of transactions. These are just a few examples. If you experience or witness any activities you think may be fraudulent, you have a **responsibility** to bring those activities to the attention of management. As set forth in Lions Clubs' Conflict Resolution Procedure, you should bring fraud or legal compliance issues to the attention of your immediate supervisor, your Department Manager, your Division Manager, or the Human Resources Department. You may also bring any fraud or legal compliance issues to the attention of the Administrative Officers (the Executive Administrator, Treasurer, or Secretary) or the Legal Division.