



## EMPLOYEE HANDBOOK

3.1.2019



The information contained in this Employee Handbook is for general employee use. As laws vary from state to state, certain issues need to be addressed based on state law.

For additional information, please contact the Human Resources Manager.



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## **SECTION 1 – INTRODUCTION**

### **1.10 FOREWORD**

AT CONSULTANT ENGINEERING, INC., QUALITY TESTING, LLC, AND TRISTAR ENGINEERING AND MANAGEMENT, INC. (REFERRED TO AS “THE COMPANY” THROUGHOUT), NEITHER THE EMPLOYEE NOR THE COMPANY IS COMMITTED TO AN EMPLOYMENT RELATIONSHIP FOR A FIXED PERIOD OF TIME. EMPLOYMENT WITH “THE COMPANY” IS AT-WILL. EITHER THE EMPLOYEE OR MANAGEMENT HAS THE RIGHT TO TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON. THE LANGUAGE USED IN THIS HANDBOOK AND ANY VERBAL STATEMENTS BY MANAGEMENT ARE NOT INTENDED TO CONSTITUTE A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED, NOR IS THERE A GUARANTEE OF EMPLOYMENT FOR ANY SPECIFIC DURATION. NO REPRESENTATIVE OF “THE COMPANY” OTHER THAN THE PRESIDENT & CEO, HAS AUTHORITY TO ENTER INTO AN AGREEMENT OF EMPLOYMENT FOR ANY SPECIFIED PERIOD AND SUCH AGREEMENT MUST BE IN WRITING, SIGNED BY THE PRESIDENT & CEO AND THE EMPLOYEE.

THE CONTENTS OF THIS HANDBOOK ARE SUMMARY GUIDELINES FOR EMPLOYEES AND THEREFORE ARE NOT ALL INCLUSIVE. THIS HANDBOOK SUPERSEDES ALL PREVIOUSLY ISSUED EDITIONS. EXCEPT FOR THE AT-WILL NATURE OF THE EMPLOYMENT, THE COMPANY RESERVES THE RIGHT TO SUSPEND, TERMINATE, INTERPRET, OR CHANGE ANY OR ALL OF THE GUIDELINES MENTIONED, ALONG WITH ANY OTHER PROCEDURES, PRACTICES, BENEFITS, OR OTHER PROGRAMS OF “THE COMPANY”. THESE CHANGES MAY OCCUR AT ANY TIME, WITH OR WITHOUT NOTICE.

## **SECTION 1 – INTRODUCTION**

### **1.20 ABOUT THE COMPANY**

#### ***Our Customer Oriented Philosophy***

We believe that customer satisfaction and our commitment to continuous improvement allows our business to flourish and prosper. Therefore, customer orientation is the basis of the Company's mission statement. The Company recognizes that its mission is a continuous journey and not an end.

#### ***Mission – Why We Exist***

- To provide customer satisfaction with a commitment to continuous improvement.
- To provide the highest possible agreed-upon quality service and product to our customers in a professional manner so as to enhance and improve the quality of our lives, our environment and our society.
- To pay attention to detail so that quality can be maintained and improved upon throughout the process of providing customer satisfaction.
- To perform each project, task or assignment thoroughly, competently and completely as a professional with the goal of customer satisfaction.

#### ***Guiding Visions - What We Believe***

- Every project, task or assignment we complete is a contribution to the enhancement and improvement of our lives, environment and society.
- Every customer perceives us as one of the best, and knows we will do their job right for them.
- Every customer chooses to use our services again and again because they know we will pay attention to detail and provide them with customer satisfaction.
- Every customer is happy with our service and product, and demonstrates confidence in their choice to use our services.

#### ***Business Practices – What We Do***

- Manage with a commitment to quality and an attention to detail that will help achieve the project, task or assignment goals.
- Build strong customer relations that are proactive, friendly, helpful, service-oriented and non-judgmental.
- Create win-win situations with our customers and staff.
- Provide on-going training to our staff to ensure that we have the required skills, expertise and knowledge to deliver and produce error-free services and products that satisfies our customers.
- Solicit feedback from our customers so we can continuously improve the work we produce for them.
- Promote an environment for friendly and creative relationships and let our love for our work show in our everyday attitude and treatment of others.
- Put strong focus on defining and documenting the scope of work based on what the customer needs and wants and measure production against customer specifications and expectations.
- Place special emphasis on team work and working as part of the team.

#### ***Our Values - What We Encourage***

- Customer Satisfaction – It distinguishes us in this industry and everyone is responsible for it.
- Continuous Improvement – We must consistently get better at what we do.
- Accountability – We give our people authority and expect responsibility.
- Cooperation – We believe in the value of different opinions and collaboration.

- Excellence – We are committed to doing our very best in everything we do.
- Innovation – We know our industry evolves quickly, so we must stay ahead of our competition.
- Integrity – We are committed to being honest, open and fair.
- Open Communication – We focus on fixing problems, not assigning blame.
- Personal Growth – We provide opportunities for people to develop beyond their expectations.
- A Positive Environment – We seek to treat everyone with trust and respect.
- Being Sales Focused – We are part of everyone’s support team as a service organization.

***Customer Orientation - Who We Work For***

We believe our success ultimately depends on each customer being satisfied with our services. A customer is anyone who can benefit from our work and actions. Customers can be internal, such as co-workers, or external to our organization, such as vendors, developers, corporate or owner representatives, suppliers, or sub-contractors.

We will work hard to keep all commitments to our customers regardless of the time and effort required or any inconvenience to ourselves. Promptness is a vital part of our service. However, we will never sacrifice quality for quantity, speed or ease. We will also continually work to provide the finest quality result possible to our customers at all times.

We always try to develop quality business relationships with our customers, whether they are internal or external by remembering and demonstrating these important service beliefs:

- Customers are the lifeblood of our business and the reason we are here. We would not survive without them.
- Customers are the primary motivation for our work, not an interruption of our work.
- Customers are fellow human beings with feelings and emotions like our own. They are not cold statistics and are equals to be treated with courtesy and respect at all times.
- Customers are people who bring us their wants and needs - they are not people to argue or match wits with. Our most important objective is to provide them with the best possible product and the most positive experience we can.



## **SECTION 2 – CORPORATE APPROACH & POLICY**

### **2.10 LEGAL RESPONSIBILITIES**

#### ***Equal Employment Opportunity/Unlawful Harassment***

The Company is dedicated to the principles of equal employment opportunity. We prohibit unlawful discrimination against applicants or employees on the basis of age 40 and over, race, sex, color, religion, national origin, disability, military status, genetic information (including results of genetic testing), or any other status protected by applicable state or local law.

This prohibition includes unlawful harassment based on any of these protected classes. Unlawful harassment includes verbal or physical conduct which has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. This policy applies to all employees, including managers, supervisors, co-workers, and non-employees such as customers, clients, vendors, consultants, etc.

#### ***Equal Employment Opportunity/Affirmative Action***

It is Company policy to provide equal employment opportunities to qualified persons without regard to race, color, national origin, religion, sex, age 40 and over, disability, military status, genetic information (including results of genetic testing), or any other status protected by applicable state or local law. Our policy relates to all phases of employment.

Any employee who would like to discuss our affirmative action efforts may do so by scheduling an appointment with the Human Resource Manager during normal business hours.

#### ***Work Eligibility***

The Company will not hire or continue to employ anyone who cannot demonstrate eligibility to work according to federal law. Employees must provide qualifying documents for the I-9 process. Arizona law requires the Company to confirm the information provided through the E-Verify system. Please direct any questions or concerns to the Human Resource Manager.

#### ***ADA and Religious Accommodation***

The Company will make reasonable accommodation for qualified individuals with known disabilities unless doing so would result in an undue hardship to the Company or cause a direct threat to health or safety. The Company will make reasonable accommodation for employees whose work requirements interfere with a religious belief, unless doing so poses undue hardship on the Company. Employees needing such accommodation are instructed to contact their supervisor or the Human Resource Manager immediately.

#### ***Sexual Harassment***

The Company strongly opposes sexual harassment and inappropriate sexual conduct. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment.
- Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment.
- Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

All employees are expected to conduct themselves in a professional and businesslike manner at all times. Conduct which may violate this policy includes, but is not limited to, sexually implicit or explicit communications whether in:

- Written form, such as cartoons, posters, pictures, texts, calendars, notes, letters, e-mails.
- Verbal form, such as comments, jokes, foul or obscene language of a sexual nature, gossiping or questions about another's sex life, or repeated unwanted requests for dates.
- Physical gestures and other nonverbal behavior, such as unwelcome touching, grabbing, fondling, kissing, massaging, and brushing up against another's body.

### **Complaint Procedure**

If you believe there has been a violation of the EEO policy or harassment based on the protected classes outlined above, including sexual harassment, please use the following complaint procedure. The Company expects employees to make a timely complaint to enable the Company to investigate and correct any behavior that may be in violation of this policy.

Report the incident to the President of the Company and/or the Human Resource Manager who will investigate the matter and take corrective action. Your complaint will be kept as confidential as practicable. If you prefer not to go to either of these individuals with your complaint, you should report the incident to your Manager.

The Company prohibits retaliation against any employee for filing a complaint under this policy or for assisting in a complaint investigation. If you believe there has been a violation of our EEO or retaliation standard, please follow the complaint procedure outlined above.

If the Company determines that an employee's behavior is in violation of this policy, disciplinary action will be taken, up to and including termination of employment.

### **Anti-Violence**

Any action, which in management's opinion is inappropriate to the workplace, will not be tolerated. Such behaviors may include, but are not limited to, physical and/or verbal intimidation, threatening or violent conduct, vandalism, sabotage, arson, use of weapons, and bullying. Employees should immediately report any such occurrences to their supervisor or to the Human Resource Manager. We will investigate all complaints. When employees are found to have engaged in the above conduct, management will take action that it believes is appropriate.

Employees should directly contact law enforcement, security, and/or emergency services if they believe there is an imminent threat to the safety and health of themselves or co-workers.

If you are a victim of domestic violence, please contact the Human Resource Manager for assistance.

Workplace bullying is repeated mistreatment through verbal abuse, offensive conduct/behaviors and work interference. If you feel you are subjected to workplace bullying, please contact the Human Resource Manager.

## SECTION 2 – CORPORATE APPROACH & POLICY

### 2.20 COMMUNICATION & ETHICS

#### ***Open Communication***

The more open we are with each other, the better we will understand each other. In addition, the better we communicate, the better prepared we are to continuously improve every aspect of our work. That is why we try to encourage open communication between all personnel. The Company would like every employee to communicate ideas, suggestions, or concerns to his/her supervisor as they arise.

The Company firmly believes that by our communicating with each other directly, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship.

#### ***Open-Door Policy***

This policy offers the opportunity for employees to discuss ideas or problems with any appropriate person at the Company. If an employee has any questions, concerns or complaints about his/her job, we encourage discussions with his/her supervisor or the Human Resource Manager. While there is no guarantee that we may be able to make the changes an employee requests or suggests, we encourage employees to voice their opinions. Our open-door policy is based on courtesy and our belief that every person should be able to discuss any matter with someone besides their immediate supervisor.

#### ***Job-Related Problems***

Employees who disagree or are dissatisfied with a Company practice should promptly discuss the matter with their immediate supervisor, where appropriate. Normally, when related to a specific incident, this discussion should be held within three to five days of the incident, or in a timely manner. Discussions held in a timely manner will enhance our ability to resolve concerns while it is fresh in everyone's mind. The majority of misunderstandings can be resolved at this level.

***If the solution offered is not satisfactory, or if it is inappropriate to go to the supervisor, then employees are encouraged to take the problem to the Human Resource Manager. If the problem still cannot be resolved, employees may submit a written complaint to the President for review and final decision about the situation. Also see EEO/Harassment Complaint Procedure on Page 2.10-2.***

#### ***Employee Relations***

This Company continually tries to build mutual respect and team spirit. We know that future growth depends on the contribution made by you and your co-workers. We also know that we all work better when we are happy and satisfied in our jobs. In order to maintain an atmosphere where these goals can be accomplished, we strive to provide a workplace that is comfortable and progressive. Most importantly, we aim to have a workplace where communications are open and problems can be discussed and resolved in a mutually respectful atmosphere, taking into account individual circumstances and the individual employee.

The Company believes in being open and honest with employees and giving them all the respect they are due. We will work to continually improve our working relationships at all times. We are also committed to providing the best possible climate for maximum development and achievement of goals for you. Company practice has always been to treat each employee as an individual. We have always sought to develop a spirit of teamwork; individuals working together to attain a common goal.

To achieve these goals, we will strive to:

- Provide prompt, courteous, and careful attention to employee concerns and needs;
- Provide the opportunity, whenever we can, to advance and grow through job training which leads to increased knowledge and skill;
- Provide promotion opportunities based on performance and ability;
- Provide fair and competitive compensation and benefits; and
- Provide positive management and supervision.

## ***Business Ethics***

Employees at the Company must be committed to the highest ethical standards in the conduct of their duties and responsibilities. The successful business operation and reputation of the Company is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a high regard for the highest standards of conduct and professionalism.

The continued success of the Company is dependent upon our customers' trust and we are dedicated to preserving that trust. Each employee owes a duty to the Company, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public. It is our policy to comply with all applicable laws and regulations and we expect employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

We may not think about it every day, but we all depend on the ethical behavior of our co-workers, our immediate managers, and higher levels of management. The daily decisions we all make at the Company affect our future and the future of the Company.

If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with the employee's immediate supervisor for advice and consultation. If you feel you are being asked to violate the Company's guidelines or policies, address your concerns with your supervisor or the Human Resource Manager.

You are expected to report perceived ethical violations. The Company expects employees to make a timely report to enable the Company to investigate and resolve any behavior that may be in violation. Report the incident to your supervisor or a member of the executive team. Your report will be kept as confidential as practicable. The Company prohibits retaliation against an employee for filing a good faith report or for assisting in an investigation.

## ***Confidentiality and Safeguarding Company Information***

The protection of Company information is a vital concern of any company. Employees will receive and have access to information that is confidential in nature to the organization, its employees, its customers and vendors. Confidential information includes, but is not limited to, information concerning personnel, business/client contracts, financial contracts and similar subjects. If an employee is in a position that requires the use of Company information, records or physical assets, he/she must follow good security practices. In order to safeguard Company information, we ask that employees;

- Not remove any proprietary information from your work location without proper authority.
- Ensure that all proprietary information is properly protected and secured at your work location when at off-site locations or functions.

Employees are not to disclose any such confidential information to (a) any other person in the organization unless there is a legitimate business reason for doing so; or (b) any person outside the organization unless management has expressly stated that the information can be disclosed to that person.

Disclosure of confidential information might seriously damage the Company's or the client's competitive position and therefore such action will not be tolerated. This non-disclosure applies during and after an employee's employment. At no time during or following your employment with the Company should you copy, reproduce, distribute, and/or use confidential information to benefit yourself or divulge such information to any person, organization, corporation, or entity without management authorization. Confidential information remains the property of the employer and must be returned to the Company on demand. All employees are asked to sign an agreement at the beginning of employment that he/she agrees to keep Company information confidential.

## ***Response to Media Inquiries***

Communication with the media needs to be consistent, timely and professional. Therefore, we require that all official responses to the media be made with authorization from the President of the Company. This requirement does not prevent employees from speaking with the media but they should not attempt to speak on behalf of the Company unless they have specifically been authorized to do so by the President.

***Solicitation/Distribution Policy***

The Company feels very strongly that work time is for work. Therefore, in the interests of the Company and its customers, and the convenience and consideration of other employees, employees are not permitted to make solicitations for any purpose or to distribute any literature of any kind, other than literature related to our profession or the operation of Company business, at the worksite during regularly scheduled work hours or during the work hours of any employee to whom a solicitation or distribution may be made. This means that an employee may not distribute or solicit to another employee who is working, whether you are working or not. Outsiders are not permitted to solicit or to distribute materials or literature for any purpose within the work area at any time. An off-duty employee is considered to be an "outsider" when not on official Company business. As such, an off-duty employee is not permitted access to Company premises for the purpose of solicitation or distribution on the premises.

***Inspections***

We may conduct searches and inspections of any employee or Company-owned property, including Company-owned vehicles, without notice. Any employee who refuses to submit to a search will be subject to disciplinary action up to and including termination.

## SECTION 2 – CORPORATE APPROACH & POLICY

### 2.30 DRUG & ALCOHOL-FREE WORKPLACE

#### Drugs and Alcohol

To ensure a safe and productive work environment the Company prohibits the use, sale, dispensation, manufacture, distribution or possession of alcohol, drugs, controlled substances, medical marijuana, or drug paraphernalia on any Company premises or work sites. This prohibition includes Company-owned vehicles, or personal vehicles being used for Company business or parked on Company property. Additionally, the Company may take disciplinary action, including discharge, for the illegal (under federal or state law) off-duty use, sale, dispensation, manufacture, distribution or possession of drugs and controlled substances and the illegal use or distribution of alcohol.

No employee shall report to work or be at work with alcohol or with any detectable amount of prohibited drugs in the employee's system. A detectable amount refers to the standards generally used in workplace drug and/or alcohol testing.

An Arizona medical marijuana registered cardholder may not possess or ingest medical marijuana while at work or work while impaired by medical marijuana. Additionally, if the Company would lose a monetary or licensing benefit under federal law or regulation, the Company may refuse to hire or keep employed an Arizona medical marijuana registered cardholder.

When an employee must take prescription or over-the counter drugs, the employee must ask the medical professional or pharmacist if the drug has any side effects which may impair the employee's ability to safely or productively perform the employee's job duties. If there is potential impairment of the employee's ability to work safely or productively, the employee must report this information to the supervisor. With input from the employee, the Company will determine if the employee should work in his/her regular job, be temporarily assigned to another job, or be precluded from working.

#### ***Persons Subject to Testing***

This policy will be applied equally and uniformly to all compensated employees and prospective employees of the Company, including all officers, directors, and supervisors. All current or prospective employees, officers, directors or supervisors shall be subject to testing pursuant to the terms of this policy.

#### ***Testing Circumstances***

##### Pre-employment Screening

All final applicants for employment will be sent to a designated facility to undergo a drug and/or alcohol use test as part of the pre-employment process. They will be given a copy of this policy and be required to read and sign the acknowledgment and consent form prior to testing.

##### Post-incident/Accident Testing

An employee may be required to submit to a drug-use test and/or alcohol-impairment test when the Company reasonably believes that the employee, while on the job site, while operating a company vehicle, or any other task during working hours:

- Was involved in or contributed to an incident/accident that did or could have resulted in an injury to the employee or another person.
- Was involved in or contributed to an incident/accident that did or could have caused material damage or loss to equipment, fixtures or other property.
- Determinations regarding whether an employee's conduct falls within the above-described situations shall be made at the sole discretion of the Company.

##### Job-related Purposes Consistent with Business Necessity

Within the terms of the written policy, an employer may require the collection and testing of samples for any job-related purposes consistent with business necessity including:

- Maintenance of safety for employees, customers, clients or the public at large.
- Maintenance of productivity, quality of products or services or security of property or information.

### Random Testing

Except on work sites prohibited by state or local statute or ordinances, all employees will be subject to drug and alcohol testing at any time on a random basis as a term and condition of continuing employment.

Random testing will be spread reasonably throughout the year and will be unannounced to ensure that no employee receives advanced knowledge of the time of testing. All employees will have an equal chance of being selected each time a random selection is made.

### Reasonable Suspicion Testing

Testing will be conducted when the Company has reasonable suspicion that an employee may be affected by the use of drugs and/or alcohol or that the use may adversely affect the job performance, the productivity, quality of product or services or security of property or information, the work environment, the maintenance of safety for employees, customers, clients or the public at large. Just exhibiting any of the symptoms of drug and/or alcohol use may result in testing. Some examples of when reasonable suspicion may exist include, but are not limited to, the following: if an employee is unable to perform normal job duties or normal body functions, has unexplained or excessive absences or tardiness, behaves in an abnormal or unusual way, or otherwise appears to have used drugs or alcohol. If the employee is suspected to be under the influence of drugs and/or alcohol, a supervisor will transport the employee to the designated testing facility or the company Safety Officer will administer a saliva (oral) test on site.

### Retesting for Any Reason

Within the terms of the written policy, an employer may require the collection and testing of samples to determine employee eligibility to a return-to-work status, or scheduled monitored testing may be implemented after drug and/or alcohol test results post abuse therapy treatment.

### ***Testing Methods and Collection Procedures***

#### Scheduling of Tests

Drug-use test and/or alcohol-impairment testing will occur during, or immediately before or after, a regular work period. The testing by the Company shall be deemed work time for purposes of compensation and benefits for current employees.

#### Costs of Tests

The Company will pay all actual costs for drug-use or alcohol-impairment testing required of current employees and prospective employees. The Company may provide reasonable transportation costs to current employees if their required tests are conducted at a location other than the employee's normal work site.

#### Testing Procedures

The method of testing for drug use will be urinalysis, oral (saliva) swab or hair sample. The method of testing for alcohol impairment may be by breath, oral (saliva) swab, blood or urinalysis. A blood test may be used if for any reason the employee cannot provide a sample; for example, if the employee is unconscious or is unable to provide a urinalysis.

The collection of oral (saliva) swab samples will be performed by a certified oral (saliva) swab tester under reasonable and sanitary conditions. Sample testing will comply with scientifically accepted analytical methods and procedures. Clinical Drug and Alcohol testing will be conducted at a laboratory approved or certified by the United States Department of Health and Human Services, the College of American Pathologies, or the Department of Health Services. All samples, regardless of type will be labeled in order to reasonably preclude the possibility of misidentification of the person tested in relation to the test result provided. The person tested must present, and be able to add their signature to the collection form and the employee shall provide a picture identification card to the person collecting samples.

Employees who are tested will also have the opportunity to provide prescription, or their medical marijuana card details directly to the laboratory any information that may be considered relevant to the test, including identification of currently or recently used prescription or non-prescription drugs. If the employee test positive from an oral (saliva) swab, the employee will be then be driven to a nearby testing facility.

All sample collection, storage, and transportation will be performed in a reasonably designed process to preclude the possibility of sample contamination, adulteration or misidentification.

Drug testing will include confirmation of any positive drug and/or alcohol test results for employees. Confirmation of positive drug-use test and/or alcohol-impairment test results for employees will be by use of a different chemical process than was used in the initial drug-use test. The second or confirmatory drug-use test and/or alcohol-impairment test will be a chromatographic technique, such as a gas chromatography-mass spectrometry, or another comparably reliable analytical method.

A drug test shall be considered positive when the screening levels established by the laboratory are exceeded. Information regarding the screening cutoff levels for various drugs will be made available upon request. An alcohol-impairment test shall be considered positive when an employee's blood alcohol level exceeds .05%.

#### Tested Substances

- A drug test shall be considered positive when the screening levels established by the laboratory are exceeded for any of the following substances: marijuana (THC), cocaine (COC), opiates (OPI), amphetamine (AMP), methamphetamine (mAMP), phencyclidine (PCP), benzodiazepines (BZO), barbiturates (BAR), buprenorphine (BUP), methadone (MTD), ecstasy (MDMA), oxycodone (OXY), or fentanyl (FEN).
- For alcohol, the impairment test shall be considered positive when an employee's blood alcohol level exceeds .05%.

#### ***Disciplinary Consequences***

##### Consequences of Refusal to Participate in Testing

Refusal to participate in drug-use or alcohol-impairment testing shall be grounds for immediate termination of employment with the Company. In the case of an applicant, refusal to participate in drug-use or alcohol-impairment testing shall be grounds for refusal to hire that person.

##### Consequences of a Positive Drug-use Test or Alcohol-impairment Test

On receipt of a positive drug-use or alcohol-impairment test, the Company may take disciplinary or rehabilitative actions including:

- The employee may be required to enroll at their own expense in an approved rehabilitation, treatment or counseling program, which may include additional drug testing and/or alcohol impairment testing as a condition of continued employment;
- The employee may be subject to suspension, with or without pay;
- Termination of employment;
- In the case of a job applicant, the Company may refuse to hire the applicant; and/or
- Other adverse employment action.

#### ***Confidentiality of Results and Access to Records***

##### Receipt of Test Results

The Company will provide results to only those individuals who need to know the results of the test. The Human Resources Department and/or Safety Officer will notify only the employee and supervisor of the test results.

##### Confidentiality of Test Results

The Company will not release any information regarding the test results without the written consent of the individual tested, except as required or permitted by law.

All communications received by the Company relevant to drug and/or alcohol use test results and received through this testing program are confidential communications and may not be used or received in evidence, obtained in discovery or disclosed in any public or private proceeding, except in a proceeding related to an action taken by the Company or an employee in connection with this policy and except disclosure to:



- The tested employee or any other person designated in writing by that employee;
- Individuals designated by the Company to receive and evaluate test results or hear the explanation of the employee; and/or
- An arbitrator or mediator, or a court or governmental agency as authorized by state or federal law.

***Access/Explanation Opportunity***

The tested employee has the right, upon request, to obtain the written test results of tests conducted on that employee. Employees have the right, upon request, to explain the test result to the Company in a confidential setting.

***Other General Provisions***

Compliance with Statute

This policy is intended to comply with the requirements of Arizona law.

No Tests for Other Substances or Conditions

Except as otherwise permitted by law, no sample taken for testing shall be tested for any substance or condition except drugs and/or alcohol as defined herein.

Compliance with Local Laws

This policy is intended to comply with the laws of the states in which the Company does business. Certain states have laws that are more restrictive and, when there is any conflict between this policy and the laws of a particular state, this policy will be modified to comply with the laws of that state. For information concerning how this policy may be applied in your particular state, please contact the Human Resource Manager.

## **SECTION 2 – CORPORATE APPROACH & POLICY**

### **2.40 STANDARDS OF BEHAVIOR**

#### ***Weapons***

The Company strictly prohibits weapons of any type in its facilities, and at any Company-sponsored events. This includes visible and concealed weapons, even those for which the owner has obtained the necessary permits. This policy does not include firearms that may be locked in your personal vehicle on Company property.

“Weapons” includes any objects that could be used to harass, intimidate, or injure another individual.

Violators of this policy will be subject to disciplinary action, up to and including termination.

The Company reserves the right at any time, and at its discretion, to search all vehicles, packages, containers, briefcases, purses, lockers, desks, enclosures, and persons entering its property for the purpose of determining whether any weapon has been brought into its facilities in violation of this policy. Employees who fail or refuse to promptly permit a search under this policy will be subject to discipline up to and including termination.

#### ***Smoking***

In the interest of providing a safe and healthful work environment for all employees and visitors, smoking is prohibited throughout the workplace. Smoking is prohibited on Company grounds and in Company vehicles. This prohibition includes all forms of tobacco and e-cigarettes. This restriction applies to all employees and visitors. Employees and visitors are permitted to smoke outside the facility in designated areas only and must observe all local and county prohibited smoking laws determined by each state. Smokers are urged to be responsible about properly extinguishing smoking materials and disposing of cigarette butts and matches in the receptacles provided.

#### ***Conflict of Interest***

The Company requires that employees protect Company information and avoid outside activities or relationships, which do or could adversely influence their decisions or actions on the job. Our employees are expected to use good judgment, adhere to the highest ethical standards and avoid situations that create an actual or potential conflict between your personal interests and the interests of the Company.

A conflict of interest, in the employment context, exists when an employee's loyalties or actions are divided between the Company interests and those of another, such as a competitor, supplier, customer or other employer. Employees should be very careful to avoid both the fact and the appearance of this type of conflict.

If an employee is not sure whether a certain transaction, activity or relationship constitutes a conflict of interest, it should be discussed with the employee's supervisor. If it remains unresolved, refer the matter to the President for a final determination.

To provide a better understanding of what this concept means, we have listed below some of the more common situations that constitute a conflict of interest. This is a sampling and not a comprehensive list. Additional situations may also constitute a conflict of interest.

- Working for an actual or potential competitor, supplier or customer of the Company;
- Engaging in self-employment in competition with the Company;
- Having a substantial direct or indirect financial interest in any competitor, customer or supplier of the Company;
- Accepting gifts, entertainment, loans, compensation, concessions or benefits from an actual or potential competitor, supplier or customer of the Company; and/or
- Using proprietary or confidential Company information for personal gain, to our detriment, or for the benefit of anyone other than the Company.

If an employee or someone with whom he/she has a close relationship (e.g., a family member or a close companion), has a financial or employment relationship with an actual or potential competitor, customer or supplier, the employee should disclose this fact, in writing, to his/her supervisor. The employee should also be aware that by entering into a personal relationship with a subordinate or with an employee of an

actual or potential competitor, supplier or customer, a conflict of interest might be created that requires full disclosure to the Company.

### ***Moonlighting***

Moonlighting may or may not be a conflict of interest. However, the Company discourages its full-time employees from seeking, or accepting additional employment or second jobs. Additional employment may be allowed with the prior approval from an officer of the Company. Work requirements, including overtime, have precedence over any other employment.

If an employee is unable to perform his work at an acceptable level as a result of working at a second job, the permission to work at the other job may be rescinded, or the employee may be subject to dismissal.

The Company will not pay Workers Compensation for injury or illness if it is determined that the injury or illness resulted from employment at another job.

### ***Work Area***

A clean, orderly table, desk, and immediate surrounding area is a reflection of your quality workmanship. We expect that throughout the day, you will maintain your work area in a neat condition. This daily clean-up minimizes fire hazards, enables you to safeguard company & personal equipment and promotes general office aesthetics.

### ***Appearance, Attire and Hygiene***

The Company believes an employee's dress and grooming should be appropriate to the work situation. Radical departures from what the Company considers conventional dress or personal grooming are not permitted regardless of the nature of the job performed.

The clothes employees wear to work directly reflect our image to customers, vendors and visitors. Employees are asked to use common sense with regard to dress and are expected to present a professional appearance in the workplace. Employees should dress in a manner consistent with his/her responsibilities and the normal dress policy of the worksite. Clothing is inappropriate if it distracts other employees, our customers, visitors or vendors. If employees report for work improperly dressed or groomed in the Company's opinion, their supervisor may instruct them to return home to change clothes.

A clean, neat, and well-groomed appearance shows your professionalism on the job. As a general rule, the following guidelines should be followed:

- Overall appearance must be neat, clean, and well groomed;
- Beards and mustaches must be kept neat and trimmed;
- Clean, professional clothing; No t-shirts with offensive or inappropriate graphics that may be offensive to clients or other employees. No sweatpants or clothing which expose midriff or undergarments;
- Personal hygiene should be such that fellow workers or customers are not offended; and
- Appropriate clothing and footwear are required for promoting a safe work environment. Please reference the safety section of the manual for details on possible work boot reimbursement.

### ***Standards of Conduct***

Each employee's personal conduct is important to co-workers, the Company, and our customers. Unprofessional conduct or any behavior that interferes with the work or is detrimental to our good name will not be tolerated. Mature, professional conduct that promotes positive and productive work relationships is expected at all times. Every employee must conduct themselves in a manner that reflects positively on the Company. We ask our employees to exhibit courtesy and respect for customers and fellow employees, with sensitivity to their attitudes and values.

Each supervisor is here to help employees perform their job well and resolve any problems that may arise. For example, if an employee is not performing the duties of his/her position, violate the Company's policies or procedures, perform a criminal act, are dishonest, or disclose customer or Company information to non-employees; he/she may be subject to corrective action.

Acts which require corrective action will be documented. This documentation, in cases other than immediate termination, is intended to help the employee understand the reason for the corrective action and to ensure that the employee understands that the failure to correct the unacceptable behavior or performance may result in further corrective action, up to and including termination of employment.

### ***Discipline***

Occasionally performance or other behavior falls short of our standards and/or expectations. When this occurs, management takes appropriate action.

Disciplinary actions can range from a formal discussion with the employee about the matter to immediate discharge. Action taken by management in an individual case does not establish a precedent in other circumstances.

Disciplinary actions will be determined on a case-by-case basis based solely on the discretion of management. Supervisors have the responsibility to involve, and gain approval from the Human Resource Manager, prior to initiating any corrective action. Depending on each specific situation, and at the sole discretion of management, the types of action that may be taken include any one or a combination of the following actions in the order deemed appropriate by management:

- Coaching/Counseling: A verbal discussion between supervisor and the employee that clarifies conduct or performance expectations. This is the least formal of corrective actions and does not require documentation.
- Verbal Warning: This consists of a discussion with an employee that clearly states a problem exists, clarifies the minimum expectation (s) and outlines the consequences of not correcting the problem. It is a good idea for supervisors to document this discussion in their own file.
- Written Warning: This action addresses behavior problems and consists of a discussion accompanied by a letter or memo to the employee stating the behavior deficiency and clarifying the minimum expectations (s). This document should also state that continued instances of unsatisfactory behavior will result in further corrective action up to and including termination.
- Suspension with Pay: Same requirements as Written Warning
- Suspension without Pay: Same requirements as Written Warning
- Termination - some actions are of such a nature that management may choose to immediately terminate an employee, without notice. The reasons for immediate termination vary and are evaluated by management on a case-by-case basis.

Regardless of the situation, just as the employee has the right to leave the Company at any time, the Company also has the right to terminate you at any time, with or without notice, and with or without cause, in its sole discretion.

### ***Co-Worker Relationships***

In the course of working together, a romantic relationship that goes beyond the workplace may develop between employees. The Company expects that both employees be responsible and act with maturity at all times. The Company expects that such relationships will not impact the workplace or affect other employees or customers. The Company will take whatever necessary actions it deems appropriate should such issues arise.

## **SECTION 3 – ADMINISTRATIVE ESSENTIALS**

### **3.10 EMPLOYMENT RECORDS**

#### ***Employee Responsibilities***

Each employee is a very important part of the Company. Most employees' jobs involve dealing with and serving people. The first requirement for an employee is to be courteous and pleasant to all customers and co-workers. Every employee should maintain the same courtesy and positive attitude toward fellow employees. Everyone should keep in mind that this is the same kind of behavior they want and expect from others. The primary responsibility our employees have is to provide quality service to all customers, both internal and external. The ability to work cooperatively with fellow employees to maintain superior customer service is another part of the job expectations. As such, it is one of the criteria used in preparing performance evaluations.

In addition, we expect employees to:

- Perform all duties as assigned
- Work each day to the best of their abilities
- Be friendly and respectful when dealing with customers
- Treat all other employees with consideration and respect
- Cooperate with management to achieve organizational and individual goals
- Communicate openly and honestly with all employees
- Follow the Company's policies and procedures
- Have a positive attitude toward your job and take pride in the Company's service

#### ***Employee Records***

It is our intent to be aware of the sensitivity of employee personnel records. Employee personnel files are maintained by the Human Resources Department. They are Company property and are not to be removed. However, information in employee records may be available as follows:

- Current employees may request to inspect their personnel file at a mutually agreeable time with their supervisor/manager. The employee should notify his/her supervisor of the request who will contact the Human Resource Manager to make arrangements. Any records relating to a criminal investigation will not be made available for employee inspection.
- Human Resources will typically release salary information to credit institutions when such information will assist the employee in securing credit, provided the request for salary information is made in writing and the employee authorizes release of the information.

It is the employee's responsibility to notify the Human Resources Department of any changes in personal information. Please promptly notify the Human Resources Department of the following changes so the appropriate forms may be made available and updated:

- Name & address
- Telephone number
- Marital status & number of dependents
- Person(s) to notify in case of emergency
- Beneficiary for life insurance
- Dependents for tax withholding purposes
- Dependent changes for insurance purposes
- Additional education

## SECTION 3 – ADMINISTRATIVE ESSENTIALS

### 3.20 OFFICE HOURS

#### ***Workweek and Work Hours***

For payroll purposes, the established work week commences on Saturday at 12:00 AM and ends the following Friday evening at 11:59 PM. Within this payroll week as defined, the standard workweek generally includes forty (40) hours of work for full time employees. The days worked and the starting and ending times may vary significantly depending on specific work assignments, work location, and client needs. Accordingly, the employee's Company supervisor will typically determine, or otherwise approve, the individual work schedule for each employee. Furthermore, the Company always reserves the right to modify an employee's scheduled starting and ending time as well as the number of hours an employee is scheduled to work during a week to accommodate service requirements and to distribute work as necessary. While many office and corporate support positions will typically involve work schedules that are routine and generally static in nature, employees should understand that for field assignments outside of the Company's own offices, work schedules are highly influenced by the client. While on such assignments, employees are expected to accommodate client requested work schedules; however, employees are still obligated to keep their Company supervisor informed in advance about client requested schedules to assure that requested hours are not excessive with regard to safety and are consistent with existing contract terms. It is the employee's responsibility to discuss and understand their required work hours and schedule with their supervisor upon hire and anytime they would like to request a temporary or permanent change to work hours.

In the following discussion, use of the word "supervisor" is considered to include both your Company supervisor, and if applicable, the client. If you need to leave work during scheduled work hours you are obligated to notify your supervisor prior to leaving.

#### ***Attendance/Punctuality***

Regular, prompt attendance is considered an essential function, is necessary for the efficient operation of the business and is essential to our success. However, there are times when an employee may be absent from work due to illness, or some other valid reason.

If an employee knows that he/she will need to miss work in advance, the supervisor should be notified as far in advance as possible to request the time off. In cases where advance notice cannot be given, the employee should contact the supervisor as soon as possible, preferably prior to the beginning of the employee's scheduled shift for that day.

Please note that:

- If an employee does not provide proper notification of an absence, it places a great burden on management and fellow employees, and demonstrates irresponsible behavior and a lack of respect. If an employee is absent from work for three (3) or more consecutive days, that employee may be required to provide reasonable documentation supporting the need for their absence prior to being permitted to return to work. Depending on the nature of the need for absence, the employee may also be required to obtain a work release prior to being permitted to return to work.

If an employee is absent from work three (3) or more consecutive days and does not contact a supervisor, a member of management or the Human Resource Manager, the Company may assume the employee has abandoned their job.

**Breaks**

An unpaid meal period (lunch break) is provided to any non-exempt employee who works a minimum of six (6) hours per day. The normal meal period should occur approximately halfway through the workday. However, certain departments may require alternate meal periods. The length of the meal period may vary from thirty (30) minutes to one (1) hour according to the needs of the department. A lunch break will be required unless approved by supervisor.

Daily breaks in the work routine are important for your well-being and productivity. In addition to lunch, you are allowed two fifteen minute breaks (one within the first half of the workday and one within the second half of the work day) each day. Breaks are the appropriate time to make personal calls or conduct personal business. Employees should not leave the premises during this paid break period, should stay within the time limits allowed for breaks, and are expected not to disturb colleagues who are at work during these times.

## **SECTION 3 – ADMINISTRATIVE ESSENTIALS**

### **3.30 CHANGING JOBS / POSITIONS**

#### ***Job Openings***

We will consider qualified employees when filling open positions within the organization. Promotions from within are not always possible due to the level of education, skills, experience and other qualifications required for many positions. An employee's past performance, qualifications, education and job experience are some of the important factors when making decisions about promotions.

#### ***Promotions and Transfers***

We believe that career advancement is rewarding for the Company and the employee. Whenever possible, the Company will promote or transfer qualified employees into new or vacated positions. In addition, supervisors or the appropriate Human Resources Representative is available to discuss opportunities with the employees. Job openings may be posted in-house. If employees are interested in applying for one of the positions, they should notify their supervisor.

#### ***Job Reassignment***

Our growth often means new opportunities within the organization. To stay competitive, we need a flexible work force that can respond rapidly to new opportunities. As a result, we may assign any employee to do work different from his/her normal job duties, change normal working hours or ask an employee to adapt in other ways to accommodate our changing business needs.

Changing business needs may also lead to the occasional transfer of employees to new assignments as we try to make the best possible match of people and business requirements. The criteria for selection of employees to be transferred include our operational needs and the skills, experience, performance history and length of service of each person, among other factors.

#### ***Resignation, Termination and Exit Interviews***

Before making a decision to leave the Company, employees are strongly encouraged to discuss their decision with his/her manager. If an employee resigns from their employment with the Company without providing at least fourteen (14) days written notice, the employee may be deemed ineligible for later rehire. All Company property (e.g., vehicles, keys, proprietary documents, computer equipment, computer software, cell phones, long distance cards, supplies, etc.) must be returned prior to or on the employees last day worked. Financial outstanding obligations may be deducted from your final check under certain circumstances.

When employees leave, they are typically asked to participate in an exit interview. This is an opportunity for the employee to share his/her thoughts and give us valuable feedback about his/her work experiences at the Company. Participation in an exit interview is much appreciated, but is strictly voluntary. Final payment of your wages and other compensation due will be made on the next regular payday following your last day worked, or in accordance with applicable government regulations, whichever applies. Regardless of whether an employee participates in an exit interview, the Human Resources Department will need some crucial information prior to departure. A Human Resources Representative should be advised of address changes (or forwarding address) and a contact phone number. This is to ensure that employees receive notification of continued health coverage (re: COBRA), a year-end statement of earnings for tax filings (W-2), and any 401(k) paperwork.

#### ***Separation of Employment***

We request that employees who wish to resign their positions notify the Company of their anticipated departure date and go over the "check out" procedures at separation (conversion of insurance, return of property, delivery of final paycheck, etc.) with the Human Resource Manager.

Employees may be considered for re-employment provided they qualify for the position of interest and while they were employed with the Company maintained satisfactory performance and attendance.



### ***Constructive Discharge***

Employees are encouraged to communicate to the Company whenever they believe working conditions may become intolerable to them and may cause them to resign. Under Section 23-1502 of the Arizona Revised Statutes, an employee may be required to notify the Human Resource Manager in writing that a working condition exists that the employee believes is intolerable, that will compel the employee to resign, or that constitutes a constructive discharge, if the employee wants to preserve the right to bring a claim against the Company alleging that the working condition forced the employee to resign.

Under Arizona law, an employee may be required to wait for 15 calendar days after providing written notice before the employee may resign if the employee desires to preserve the right to bring a constructive discharge claim against the Company. An employee may be entitled to paid or unpaid leave of absence of up to 15 calendar days while waiting for the Company's response to the employee's written communication about the employee's working condition.

## SECTION 3 – ADMINISTRATIVE ESSENTIALS

### 3.40 COMPENSATION & TIMEKEEPING

#### *Compensation Program Objective*

The Company's compensation program is designed to motivate, reward, and retain employees in accordance with sustained on-the-job performance, job content, knowledge, experience and responsibility, among other factors.

#### *Employee Classification*

Employees are classified depending on their normally scheduled work hours and upon their job duties as either exempt or non-exempt. Depending on job duties and the hours worked, employees are placed in the following applicable classifications:

- **Full-Time Employees** are those who are normally scheduled to work 30 hours per week or more. Full-time employees are currently eligible for all benefits.
- **Part-Time Employees** are those who are either; 1) not normally scheduled to work (30) hours or more per week, and/or 2) normally work less than 30 hours per week. Part-time employees are not eligible for benefits, except as required by federal and state law.
- **Non-Exempt Employees** are those who are eligible for paid overtime at one and one-half times their regular rate of pay for all hours worked in excess of 40 hours per workweek.
- **Exempt Employees**, are paid on a salary basis and do not receive overtime pay at any time.

#### *Paydays and Paychecks*

The Company uses a bi-weekly payroll process (every other week), with paychecks being made available on Fridays. Employees receive pay for hours worked during the two week period that ended the prior Friday. Employees have the option to enroll in direct deposit or receive a physical check. If the employee enrolls in direct deposit, he/she will still receive a pay stub, unless requested to go paperless. The employees check/paystub is mailed to the most current address in his/her personnel file unless the employee requests to pick it up.

For employee protection, paychecks will be given only to the employee, unless he/she gives us written authorization to give it to someone else. The payroll department must receive such authorization by 08:00 a.m. on the Wednesday before the payday. That person will need to show photo identification when they come in to pick up your check.

If an employee finds an error with his/her paycheck, it should immediately be reported to payroll. Information regarding employee wages/salary is considered confidential and will not be released without written authorization.

On each payday, employees have access to a statement showing gross pay, deductions, and net pay. Automatic deductions such as additional tax withholding, contributions to voluntary benefit plans, and individual savings plans may be arranged through the Human Resources Department. For the employees' convenience, we offer the option of having their paycheck automatically deposited to their bank account.

#### *Withholding Taxes*

Included with employee paychecks/paystubs is a statement of earnings and deductions for the pay period just ended and for the year to date. We are required by law to make certain deductions from employee pay that will appear on the statement part of the paycheck. Employee earnings are subject to withholdings for 1) federal, state and local (if applicable) income tax withholding, 2) Social Security tax, and 3) Medicare (FICA). These deductions are regulated by law, based on the employee's amount of income, marital status, and the number of exemptions claimed on his/her W-4 and A-4 forms. Deductions for insurance payments and other items an employee authorizes will also be shown. If an employee wishes to change payroll deductions, such as the number of exemptions claimed, the Human Resources or Payroll Department can provide the required paperwork.

### ***Time Reporting***

Reporting hours worked in the Company's timesheet software system is the Company's basic method for keeping work hour records, and is used for calculating employee payroll and generating paychecks. These timesheets are the only ones used by the Company to calculate employee pay. All employees are expected to submit accurate and complete time records reflecting all hours worked. Timesheet and/or timesheet support should be updated on a daily basis. Working "off the clock" (unreported work time) is not allowed for any reason. Regarding a normally scheduled shift, hours worked begins from the time the employee reports to his/her work area and ends when he/she leaves the work area at the end of the scheduled shift, excluding the meal period. Any time worked outside the normally scheduled shift must also be reported.

If an employee is unable to report hours worked through the Company's timesheet software system, they may report time electronically by computer, tablet or phone to their supervisor. A supervisor needs to be notified of any changes that need to be made once hours are reported and submitted. At the end of each pay period, both the employee and his/her supervisor must approve the timesheet before it can be processed for payroll. Timesheets need to be in to payroll by end of day Friday. If they are not received in a timely manner, it may result in a late check or could lead to disciplinary action which may affect the employee's performance review.

In addition to the Company's timesheets, employees may be required to submit project specific timesheets and/or other documentation. The supervisor will notify employees in such cases. Failure to submit the required timesheets and/or other documentation could lead to disciplinary action.

Employees may not falsify their time sheets or anyone else's time sheet, nor knowingly allow non-supervisory personnel to approve time sheets. Violations of this rule may result in immediate termination.

### ***Reporting Time-Off***

For legal, security, payroll, and other business reasons, we maintain records of the time employees are, or are not, at work when scheduled. As defined in the EMPLOYEE BENEFITS section of this handbook, there are several types of leave time off with pay that may be available to an employee.

### ***Overtime***

From time to time, employees may be required to work overtime. In these instances, employees are given as much advance notice as practical. Non-exempt employees are paid at the rate of one and one-half times their regular hourly rate for hours worked in excess of 40 during the established workweek.

### ***Pay for Exempt Employees***

Exempt employees must be paid on a salary basis. This means exempt employees will regularly receive a predetermined amount of compensation each pay period on a weekly basis. The Company is committed to complying with salary basis requirements which allows properly authorized deductions.

If you believe an improper deduction has been made to your salary, you should immediately report this information to the Human Resource Manager. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed.

### ***Meetings and Off-Site Training Time***

Employees required to participate in a Company sponsored meeting, off-site training or seminars during, before or after their scheduled shift, should report the time from arrival to departure on their time sheet as hours worked, and will be paid for the time.

### ***Voting Time Off***

We encourage employees to exercise their voting rights in all municipal, state, and federal elections. Most employees work shifts allow sufficient time to vote before/after their shift. If an employee needs additional time off, they must advise their supervisor no later than the day before Election Day.

### ***Pay Advances/Loans***

Advances may be allowed subject to discretion of the supervisor. Repayment will be made as a payroll deduction based on the signed agreement terms. If the employee has a vested interest in the 401(k) plan, they may be eligible for loans against their 401(k) contributions. Contact our Human Resources Department with any requests.

### ***Garnishments***

The attachment of your wages by a creditor is called a garnishment. These are most often related to Child Support or Federal/State Income Taxes. If an employee knows of an outstanding or pending garnishment, they should make arrangements with their creditor so that their wages will not be attached. If an employee is subject to a child support order and wage withholding, he/she is required to notify us within fifteen (15) days of hire. In the case of a garnishment, the Company is required to withhold from your paycheck as ordered by appropriate laws. The Company will also assess the employee an administrative fee allowed under current legislation. The Company policy is to adhere to all applicable federal and state laws concerning garnishments.

### ***Reimbursement of Expenses***

Employees will typically be reimbursed for legitimate, out-of-pocket expenses incurred while conducting company business. To be reimbursed, employees are expected to complete an Employee Expense Record and attach supporting receipts within 30 days of the receipt. The expense record must include the date the expense was incurred and the business purpose, be signed by both employee and supervisor, and be turned in to the Accounting Department for processing and reimbursement. Time permitting; reimbursement will be processed with the next available payroll period.

### ***Reimbursement for Personal Vehicle Mileage***

As discussed in the USE & CONTROL OF PROPERTY section of this handbook, personal vehicles may only be used for company business when specifically approved in writing by your supervisor. In such rare instances, an Employee Expense Record form shall be submitted and business mileage must be supported by mileage logs. The reimbursement rate will be determined by the current IRS/federal rate.

### ***Lodging and Meals***

When an employee is out of town on company business, he/she will typically be reimbursed for lodging and all legitimate meal purchases. An Employee Expense Record and supporting receipts are required for reimbursement. Employees will typically also be reimbursed for legitimate in-town business related meal expenses. The receipt must identify the names of those persons present at the meal and the business purpose for the meal and must be submitted within 30 days.

In some cases you may be assigned to a specific contract where the client has established very specific per diem reimbursement limitations and documentation requirements. In such cases, in order to receive reimbursement, you are required to comply with those specific requirements. When there are questions about specific contract reimbursement requirements, please consult with your supervisor.

### ***Miscellaneous Expenses***

Miscellaneous expenses should be recorded on the Employee Expense Record and also be explained in the "remarks" column. Examples of reimbursable expenses include taxis, telephone, toll booths, and parking. A receipt must be included for each expense and submitted within 30 days. Any miscellaneous expense out of the ordinary must be approved by the Manager.

### ***Performance Evaluations***

The Company recognizes the importance of performance evaluation systems to measure work performance. The most important factor in your evaluation is employee performance. This is comprised of numerous factors, including but not limited to; level of responsibility, how well the job is performed, the contribution made to the success of the department and the overall Company, and the quality and quantity of the employee's work. Specific other areas can include the demonstration and development of job knowledge, abilities and skills, teamwork, relationships with others, attendance, equipment use and safety.

Performance evaluations are generally given on an annual basis.

### ***Bonus Program***

The Company currently has a Bonus Program which, based on multiple factors, may provide monetary compensation to employees to reward them for job performance and contribution. All employees are currently eligible to receive a bonus when the Company grants them. The program is currently based primarily on a yearly performance evaluation, although "Spot Bonuses" can also be made for outstanding achievements/performance during the year.

Some of the factors that determine the amount of the bonus pool are; the Company's success in accomplishing the goals set by the leadership of the Company, monetary needs for further expansion and growth, and present company cash flow and availability of funds. Some of the factors that determine the amount of bonus an individual employee receive are; employee department and job classification, job performance and employees' success in meeting or exceeding the standard results expected for the responsibility of their job classification.

## SECTION 3 – ADMINISTRATIVE ESSENTIALS

### 3.50 EMPLOYEE BENEFITS

#### *Introduction to Benefits*

Various types of benefits are currently available when an employee becomes eligible on the first day of the month following the date of hire. The Company provides a “benefit allowance” to each full-time eligible employee upon hire as part of the employment offer. This allowance is available to help cover the cost of the employees’ mandatory and elected coverage. Available coverage is discussed in detail in the following pages. We do recommend that you request COBRA coverage from your previous company or purchase an individual health plan until you are eligible with us to prevent any lapse in your health insurance coverage.

The Company offers full-time employees the opportunity to participate in a Section 125 Plan which allows the employee to pay his/her medical, dental and vision premiums before salary is taxed. If an employee has any questions about any benefits, they should contact their supervisor or the Human Resources Department.

The following benefits programs are available to you as a full-time eligible employee:

Medical, Dental, Vision Insurance	Worker’s Compensation Insurance
401(K) Retirement Savings Plan	Life, Accidental Death & Dismemberment
Personal Time Off (PTO) – With Pay	Long Term Disability
Paid Holidays	Short Term Disability
Military Leave	Unemployment Insurance
Family and Medical Leave (FMLA)*	Social Security and Medicare
Bereavement (Funeral) Leave	Continuation of Group Health Benefits
Crime Victim Leave	Professional Liability Insurance
Jury Duty	Company Sponsored Events

\*Based on eligibility requirements

The following benefits programs are available to you as a part-time eligible employee:

401(k) Retirement Savings Plan	Jury Duty
Personal Time Off (PTO) – With Pay	Worker’s Compensation Insurance
Military Leave	Unemployment Insurance
Family and Medical Leave (FMLA)*	Social Security and Medicare
Professional Liability Insurance	Professional Liability Insurance
Crime Victim Leave	Company Sponsored Events

\*Based on eligibility requirements

#### ***Insurance Benefit Plans***

##### Medical, Dental and Vision Insurance

The Company currently provides group medical, dental and vision insurance plans for eligible full-time employees and their dependent family members. Based on individual coverage elections, each employee’s applicable portion of the insurance premiums will be deducted from his/her paycheck. The Company currently reimburses a portion of your medical benefits that you secure through another employer-sponsored group health plan with the necessary expense reporting. Details of the plans and benefits are made available when the employee turns in their new hire paperwork. Questions concerning the plan should be addressed to the Human Resources Department.

If enrolled, it is the employees’ responsibility to advise a Human Resources Representative of any changes in status (i.e., marriage, divorce, birth) to ensure all family members are covered under the health insurance. Employees should contact a representative promptly when any event occurs that could affect you or your dependents’ eligibility for coverage. A delay could result in not having coverage to which the employee or dependent would otherwise be entitled.

Life Insurance Plan – Provides term insurance coverage at group rates.

Short-term Disability (STD) Plan - Helps replace your salary if you suffer a covered disability for a limited period of time.

Long-term Disability (LTD) Plan - Helps replace your salary if you suffer a covered disability for an indefinite period of time.

Personal Accident Insurance Plan - Provides payments in case of accidental death or dismemberment. This coverage is available to you and your eligible dependents at group rates.

For more information about these Plans, please refer to the Summary Plan Description, the Plan document itself, and/or contact the Human Resources Department. In the event the above information conflicts with the actual terms and conditions of coverage, the latter governs.

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

The Company currently offers enrollment in a qualified company 401(k) retirement plan to all eligible employees on the first of the month following their hire date. The Company currently makes bi-weekly contributions into the 401(k) plan. Further information on the 401(k) plan is available and will typically be distributed to each eligible employee during the month prior to becoming eligible for participation in the plan. Questions regarding the plan or employee participation should be directed to the Human Resources Department.

### ***Personal Time Off (PTO) – With Pay***

The Company currently grants personal time off with pay (referred to as PTO) to qualified employees as follows:

- All employees are eligible for PTO accrual, use and payment, unless otherwise approved by a supervisor.
- Employees will start accruing PTO upon hire based on actual hours worked.
- PTO Accrual Rates, Annual Allowance, and the maximum carry-over amounts, are based on the employee's length of service and their part-time/full-time status (unless specifically noted otherwise at the outset of employment or in an employee's offer letter). The table below defines the term Employment Year and the associated Accrual Rates and Annual Allowances.
- PTO Accrual Rates will be based on the date employee became full-time status, not on their original date of hire.
- There will be a two year time lapse to retain PTO accrual rates for rehires.
- Whether an employee is Non-Exempt (Hourly) or Exempt (Salaried), PTO time used must be reported on time sheets in increments no smaller than ¼ hour. For Non-Exempt employees, any hours not worked during the normally scheduled work period are considered PTO (except lunch period).
- For Non-Exempt employees, PTO reported on time sheets in excess of the accrued balance will not be paid. In such cases, only the accrued amount available will be paid unless otherwise approved by the employee's supervisor.
- PTO will not be used in the calculation of overtime.
- The Company may require an employee to use PTO under this policy concurrently with unpaid leave taken under other applicable policies, including leave taken under the Family and Medical Leave Act (FMLA) or leave taken as part of a Mandatory Leave of Absence.
- Upon termination of employment, employees currently receive pay for their accrued and unused PTO balance at their current rate of pay. If at the time of their termination, an employee that has used more PTO than they have earned (i.e. negative PTO balance), the dollar value of their excess PTO usage will be deducted from their final paycheck.
- PTO will not continue to accrue after the employee's last day of actual work.
- Questions regarding specific employee circumstances may be addressed with the Human Resources Department or the employee's supervisor.
- Employees who are denied needed PTO may contact the Human Resource Manager for an individualized review.

The amount of PTO currently granted is dependent upon the employee's length of service with the Company and their part-time/full-time status (unless specifically noted otherwise at the outset of employment or in an employee's offer letter). Standard PTO annual grants and accrual rates are currently as follows:

Personal Time Off (PTO) Schedule				
Employment Year	Full Years of Service	Accrual Rate per hour worked	Accrual Rate* per 80 hours worked (Hours-max)(Note 1) (Note 2)	Annual Allowance (Hours)
Part-time	n/a	0.033333	2.67	69
1 <sup>st</sup>	Full-time status with less than 3 full years of service	0.046154	3.69	96
2 <sup>nd</sup>		0.046154	3.69	96
3 <sup>rd</sup>		0.046154	3.69	96
4 <sup>th</sup>	Full-time status after 3 full years but less than 7 full years of service	0.057692	4.62	120
5 <sup>th</sup>		0.057692	4.62	120
6 <sup>th</sup>		0.057692	4.62	120
7 <sup>th</sup>		0.057692	4.62	120
8 <sup>th</sup> +	Full-time status after 7 full years of service	0.076923	6.15	160

**Note 1** – The accrual rate is based on hours reported, up to a maximum of 80 hours per pay period. Even in the case where an employee works more than 80 hours in a pay period, no more than the maximum stated above will be accrued. However, if an employee works less than 80 hours in a given pay period, the accrual will be prorated based on actual hours worked. For instance, a regular employee working only 64 hours in a given pay period would only accrue 64/80ths of the maximum accrual amount for that pay period.

**Note 2** – Actual accrual rates may vary if actual hours worked exceeds 110 per pay period.

\*Exempt (Salaried) employees are presumed to work 40 hours per workweek for PTO accrual purposes.

### ***PTO or Other Planned Leave Scheduling***

Approval for PTO, or any other planned leave, should be requested as soon as the employee is aware the time off is desired, but at a minimum of one week notice must be given for every planned day of leave taken. For instance, if you are requesting leave for a one workweek period (5 days), you should give your supervisor five week notice.

Employees should schedule leave after consultation with their supervisor. Approval for time off will be based on, but not limited to, staffing requirements, other employee's leave schedules or requests and length of service.

### ***PTO for Sick Leave – Arizona Fair Wages and Healthy Families Act***

In compliance with the Arizona Fair Wages and Healthy Families Act, the Company expressly permits Employees to use their PTO for any of the following reasons:

- An employee's mental or physical illness, injury or health condition; an employee's need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; an employee's need for preventive medical care;
- Care of a family member with a mental or physical illness, injury or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; care of a family member who needs preventive care;
- Closure of the employee's place of business by order of a public health official or need to care for a child whose school or place of care has been closed by order of a public health official;



- Care for oneself or family member when it has been determined by health authorities or a health care provider that the employee's or family member's presence in the community may jeopardize the health of others because of their exposure to a communicable disease; and/or
- Absence due to domestic violence, sexual violence, abuse or stalking, provided the leave is to allow the employee to obtain for the employee or the employee's family member:
  - Medical attention needed to recover from injury or disability caused by domestic violence, sexual violence, abuse or stalking;
  - Services from a domestic or sexual violence program or victim services organization
  - Psychological or other counseling;
  - Relocation or taking steps to secure an existing home due to the domestic violence, sexual violence, abuse or stalking; and/or
  - Legal services related to the domestic violence, sexual violence, abuse or stalking.

"Family member" means the following for purposes of this policy:

- Biological, adopted or foster child, stepchild or legal ward, a child of domestic partner, a child to whom the employee stands *in loco parentis*, or an individual to whom the employee stood *in loco parentis* when the individual was a minor,
- Biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee's spouse or domestic partner or a person who stood *in loco parentis* when the employee or employee's spouse or domestic partner was a minor child,
- Spouse or a registered domestic partner
- Grandparent, grandchild or sibling (whether biological, foster, adoptive or step) of the employee or the employee's spouse or domestic partner, or
- Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

### ***PTO for Unplanned Absences***

When unable to report to work due to illness or for one of the reasons listed above, employees must give their supervisor reasonable advance notice of the need to use paid sick leave and shall make a reasonable effort to schedule the use of the paid sick leave in a manner that does not unduly disrupt the Company's operations. If reasonable advance notice is not possible, contact your supervisor as soon as practically possible and prior to the beginning of your shift, if possible. Notification should include the expected duration of your absence, if known.

Your supervisor may require reasonable documentation that the earned paid sick time has been used for the purposes outlined above if you use paid sick leave for three (3) or more consecutive days.

### ***Unused PTO Leave***

Accrued and unused PTO will carry over from year to year, subject to the limitations that follow.

Employees are encouraged to use their PTO leave whenever necessary for any number of reasons, including if only to take a break from the work routine. Employees are discouraged to allow leave to accumulate, unused. Accordingly, the maximum amount of leave time that may currently be carried over past March 31 of any year is 320 hours. Unused PTO Leave in excess of 320 hours as of March 31 of each year is currently and automatically paid out to each employee at 50% of the accrued value [(employee hourly wage)/2] X [hours in excess of 320]. Upon completion of this excess leave payout, the leave balance will be reduced back to 320 hours and leave hours again continue to be earned and accumulate until termination, or until March 31 of the next year, whichever occurs first. Upon employment termination, an employee currently receives pay for his/her balance of accrued PTO leave at the time of termination as described in an earlier section.

### ***Paid Holidays***

Full-time employees are currently eligible for holiday pay immediately after hire date. Employees must have 60 hours reported in the pay period in which the holiday falls to be eligible for holiday pay.

The 60 hours reported can include hours worked, PTO leave and the holiday. If the combination of reported hours during the pay period in which the holiday falls is not 60 hours, the employee will not be eligible for holiday pay.

Currently, Company paid holidays are:

No. Days	Holiday	Holiday Period
1	New Year's Day	1 <sup>st</sup> of January
1	President's Day	Third Monday in February
1	Memorial Day	Last Monday in May
1	Independence Day	4 <sup>th</sup> of July
1	Labor Day	First Monday in September
1	Veteran's Day	11 <sup>th</sup> of November
1	Thanksgiving	Fourth Thursday in November
0.5	Christmas Eve	24 <sup>th</sup> of December
1	Christmas	25 <sup>th</sup> of December
0.5	New Year's Eve	31 <sup>st</sup> of December
9		

Holidays that fall on Saturday will typically be recognized on the preceding Friday. Holidays that fall on Sunday will typically be recognized on the following Monday. Employees are encouraged not to work on holidays; however, if required by a supervisor to work, the employee will have the option to be paid for the hours worked in addition to the holiday pay or bank the holiday time.

### ***Military Leave***

The Company is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the Company'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. It is Company policy that no person be denied employment, reemployment, promotion, or other benefit of employment on the basis of such membership. Furthermore, it is also Company policy that no person be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or this policy. If any employee believes that he or she has been subjected to discrimination in violation of this policy, the employee should immediately contact the Human Resource Manager.

It is the Company's policy to abide by all the provisions of the Uniformed Services employment and Re-Employment Rights Act (USERRA) and grant military leave to all eligible full-time and part-time employees. Employees who are inducted into the U.S. Armed Forces or who are reserve members of the U.S. Armed Forces or state militia groups will be granted leaves of absence for military service, training or other obligations in compliance with state and federal laws. These employees may use accrued vacation leave but are not required to do so. At the conclusion of the leave, employees generally have the right to return to the same position held prior to the leave or to positions with equivalent seniority, pay and benefits. Questions regarding the Company's military leave policy, applicable state and federal laws and continuation of benefits should contact the Human Resource Manager.

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

The Company provides up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- Incapacity due to pregnancy, prenatal medical care, or child birth.
- To care for the employee's child after birth, or placement for adoption, or foster care.
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition.
- A serious health condition that makes the employee unable to perform the employee's job.

### Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the Armed Forces, National Guard, or Reserves may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

### Benefits and Protections

During FMLA leave, the Company maintains the employee's health coverage under any group health plan on the same terms as if the employee had continued to work. Employees must continue to pay their portion of any insurance premium while on leave. If the employee is able but does not return to work after the expiration of the leave, the employee will be required to reimburse the Company for payment of insurance premiums during leave.

Upon return from FMLA leave, most employees are restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. Certain highly compensated employees (key employees) may have limited reinstatement rights.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave. As with other types of unpaid leaves, paid leave will not accrue during the unpaid leave. Holidays, funeral leave, or employer's jury duty pay are not granted on unpaid leave.

### Eligibility Requirements

Employees are eligible if they have worked for the Company for at least 12 months, for 1,250 hours over the previous 12 months, and if they work at a work site with at least 50 employees within 75 miles.

### Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents a qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive full calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

### Use of Leave

The maximum time allowed for FMLA leave is either 12 weeks in a rolling calendar year or 26 weeks as explained above

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Employees taking intermittent or reduced schedule leave based on planned medical treatment and those taking intermittent or reduced schedule family leave with the Company's agreement may be required to temporarily transfer to another job with equivalent pay and benefits that better accommodates that type of leave.

### Substitution of Paid Leave for Unpaid Leave

The Company requires employees to use accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the Company's normal paid leave policies. If an employee fails to follow the Company's policies, the employee cannot use accrued paid leave, but can take unpaid leave. FMLA leave is without pay when paid leave benefits are exhausted.

### Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with the Company's normal call-in procedures.

Employees must provide sufficient information for the Company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

Employees also may be required to provide a certification and periodic recertification supporting the need for leave. The Company may require second and third medical opinions at the Company's expense. Documentation confirming family relationship, adoption, or foster care may be required. If notification and appropriate certification are not provided in a timely manner, approval for leave may be denied. Continued absence after denial of leave may result in disciplinary action in accordance with the Company's attendance guideline. Employees on leave must contact the Human Resources Department at least two days before their first day of return.

### The Company's Responsibilities

The Company will inform employees requesting leave whether they are eligible under FMLA. If they are, the notice will specify any additional information required as well as the employees' rights and responsibilities. The Company will provide a reason for the ineligibility if they are not eligible.

The Company will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the Company determines that the leave is not FMLA-protected, the Company will notify the employee.

### Unlawful Acts

FMLA makes it unlawful for the Company to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA.
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

## Enforcement

An employee may file a complaint with the U. S. Department of Labor or may bring a private lawsuit against the Company.

FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

### ***Bereavement (Funeral) Leave***

The Company currently offers bereavement leave to provide a time for mourning after the loss of an immediate family member. The employee's immediate supervisor authorizes the use of bereavement leave. An eligible full-time employee may currently take up to three (3) days of Company paid leave for a death in the immediate family. The immediate family includes: spouse, child, mother, father, sister, brother. If additional time is needed, vacation or unpaid personal leave may currently be taken with supervisory approval.

Employees may be asked to provide reasonable documentation supporting their request for bereavement leave.

### ***Crime Victim Leave***

Certain employees are allowed time off to be present at a court-related proceeding, or to obtain an order of protection, associated with being a victim of a crime or juvenile offense pursuant to state law, unless the time off creates an undue hardship on the Company.

Employees are not eligible for the leave if they are accused of the crime or are in custody for the crime.

To qualify for crime victim leave, you must submit to the Human Resource Manager a copy of the form provided to you by the law enforcement agency involved in the proceedings or, if applicable, notice of each scheduled proceeding, each time you request leave.

You will be required to use any paid time off that is available to you in conjunction with the leave. If paid time off is not available, the leave time will be unpaid. Exempt staff members will be paid their normal salary during any workweek in which they use crime victim leave and also perform services for the Company, regardless of the amount of time spent performing those services.

Any questions regarding this leave should be directed to the Human Resource Manager.

### ***Jury Duty***

The Company encourages all employees to fulfill their civic responsibilities and to respond to jury service summons or subpoenas, attend court for prospective jury service or serve as a juror. Under no circumstances will employees be terminated, threatened, coerced, or penalized because they request or take leave in accordance with this policy. Employees are expected to return to work if they are excused from jury duty during regular working hours.

The Company may require that employees submit a copy of the summons to serve on the jury and/or proof of service upon completion of jury duty.

Time spent engaged in attending court for prospective jury service or for serving as a juror is not compensable except that exempt employees will not incur any reduction in pay for a partial week's absence due to jury duty. Employees who are absent from work while participating in the jury selection process or while serving as a juror will not be required to use any annual, vacation or sick leave during the absence, although employees may be permitted to do so.

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

Employees are expected to alert management to any condition(s) that could potentially lead to or contribute to a workplace incident/accident.

Injuries occurring in the course of employment are paid for by Workers' Compensation insurance. There are two types of Workers' Compensation benefits paid to an employee with a work related injury or illness: Medical and wage replacement benefits. There are well-defined provisions that must be met to ensure that employees qualify for Workers' Compensation benefits.

### ***Life and Accidental Death and Dismemberment***

The Company currently provides Life and AD&D insurance plans for eligible full-time employees. The base cost of the plan is currently paid entirely by the employer. Employees are provided more details at the time of eligibility and benefit enrollment.

For additional information, please contact the Human Resources Department.

### ***Long-term Disability***

The Company currently provides a Long Term Disability insurance plan for eligible employees. The cost of the plan is currently paid entirely by the employer. Employees are provided more details at the time of eligibility and benefit enrollment.

For additional information, please contact the Human Resources Department.

### ***Short-term Disability***

The Company currently offers a Short Term Disability insurance plan for full-time eligible employees. The cost of the plan is currently paid entirely by the employee. The benefit amount and premium cost is based on each employee's monthly wage rate, and age category. Employees are provided more details at the time of eligibility and benefit enrollment.

For additional information, please contact the Human Resources Department.

### ***Assistance Programs***

The Company provides counseling services, travel assistance, ID theft protections services, estate guidance, will services, funeral planning and concierge services.

For additional information, please contact the Human Resources Department.

### ***Unemployment Insurance***

The Company contributes to federal and state unemployment compensation insurance plans which are designed to provide income to eligible unemployed persons. Employees must satisfy the eligibility requirements of the law to receive benefits. The benefit amount is based on the employee's average monthly salary during a specified period of time. The unemployment compensation program is funded entirely by the Company. Employees do not pay for this coverage. While the Company has no desire to deny unemployment benefits to any person who is legally entitled to them, it is Company policy to contest unemployment claims and apply for relief from charges for those claims which do not comply with the requirements of the law. The Human Resources Department is responsible for administration of the Company's unemployment compensation program. Employees should contact the Human Resources Department with questions or further information.

### ***Social Security and Medicare***

All Company employees are covered under Social Security and Medicare withholding rates. To pay for these benefits, both the employee and the Company pay Social Security and Medicare taxes in an equal amount as part of the payroll process. In addition, certain disabled persons and persons who meet age requirements are entitled to Social Security retirement benefits and hospital insurance. Medical insurance benefits are also available on a voluntary basis for a monthly fee.

Employees nearing retirement should contact the closest office of Social Security Administration to determine exactly how much their FICA retirement benefits will be. They vary depending on retirement age, past income, number of years covered by Social Security, and marital status.

### ***Continuation of Group Health Benefits***

The Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1986 requires the Company to offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan would otherwise end. Should an employee lose his/her health care benefits due to a reduction in work hours or termination (other than for gross misconduct), he/she may be eligible for "continuation coverage". Should an employee's spouse and/or dependent(s) lose coverage due to the employee's death, due to divorce or legal separation, due to employee or spouse becoming eligible for Medicare, or (dependents only) due to a dependent not being a "dependent child" under the plan's provisions, the employee's spouse and/or

dependent(s) may be eligible for "continuation coverage". Should any of the events described above happen to you, the employee should notify the Human Resources Department within thirty (30) days.

### ***Professional Liability Insurance***

Since the professional staff works together as a team, we maintain professional liability insurance. The Company will defend suits or claims brought against employees in connection with your authorized services on behalf of the firm, and will hold the employee harmless, except in cases where gross neglect is evident and/or where you violate the code of the Arizona State Board of Technical Registration. Claims made against the Company's Professional Liability Insurance which result from an employee moonlighting may result in legal action and/or termination.

### ***Company Sponsored Events***

From time to time, the Company may sponsor social or recreational events. Employees are invited to, but are not required to, attend such events. Whether or not employees choose to attend will have no bearing on their job. We encourage employees to attend such activities, since it gives everyone a chance to relax in a different setting and get to know each other better.

### ***Mandatory Leave of Absence - Without Pay***

The volume of work that the Company can offer employees depends on the construction activity within the industry at any given time. Although we strive to avoid such situations, there may be occasional periods when an employee has no assignment. When an employee has no assignment for an extended period of time, that employee may be placed on a mandatory leave of absence without pay unless employment is voluntarily or involuntarily terminated. While an unpaid leave of absence is not considered a benefit, this section is included herein to discuss how benefits are affected. During a mandatory leave of absence, the employee must use his/her accrued PTO to maintain a minimum of 30 hours per week until the balance is exhausted or the employee returns to work. An employee on an approved leave of absence without pay may currently maintain medical, dental and vision insurance coverage by continuing to pay the employee's portion of the premium. PTO may currently be used to offset the employee's portion of benefit premiums. Once PTO is exhausted the Company currently carries the premiums until coverage ends. Coverage currently ends on the last day of the month following 3 months after the leave of absence begins. The employee will then be contacted by the Human Resources Department to discuss COBRA benefits. Life and AD&D Insurance and Disability benefits are currently terminated at the end of the month of full-time employment based on the insurance company's certificate of coverage. FMLA (Family Medical Leave Act) leave may remain applicable while an employee is on mandatory leave of absence.

If part-time work is available for an employee during periods of no assignment, he or she will currently maintain benefits up to 3 months as stated above. If the employee is not working full-time (30 hours per week) after 3 months the Company insurance and other provided benefits are currently discontinued and the employee will become eligible for COBRA. When applicable, the Human Resources Department will assist the employee with the COBRA initiation process.

Employees who do not have medical coverage through the Company will not get medical reimbursement during a mandatory leave of absence or while working part-time.

The Company may allow assigned equipment, including Company truck, to remain in the employees' possession; however, all procedures and policies regarding Company owned property are enforced during the leave of absence. If the employee prefers to return Company equipment during his or her leave of absence, he or she may do so without otherwise jeopardizing the leave of absence status.

Employees are encouraged to contact the Human Resources Department with any questions or concerns relating to a mandatory leave of absence.

## SECTION 3 – ADMINISTRATIVE ESSENTIALS

### 3.60 USE & CONTROL OF PROPERTY

Company Property and Client Property is considered one in the same. The Company has established rules and procedures governing the use of Company and Client provided and controlled property. Such property may include, but is not limited to:

- Any tools or other equipment used to perform inspection, surveying, materials testing, or any other aspect of your job;
- Cell phones, cameras, and all related accessories;
- Computers, computer software, computer bag, mice, wireless access cards, power inverters, printers, and all other computer accessories;
- Facility keys or other access devices, security passes, security codes, badges;
- Company vehicle and all related accessories, keys, maintenance and fuel cards;
- Company credit cards;
- Client information and other materials in any media form (on computer, disc, paper, etc.). This includes project documentation and billing timesheets;
- Client assigned equipment such as computers, computer system access cards, power cords, computer bags, and any other assigned accessories;
- Confidential or proprietary information about or belonging to the Company; and/or
- Any other property that is assigned to employee by either the Company or the Client.

Company Property is expensive and may be difficult to replace. When using any Company Property employees are expected to exercise care and follow all operational instructions, safety standards and guidelines. The company property is subject to electronic and/or visual monitoring at any time, this will help eliminate risk to the employee while working in remote locations, and alone work task. The company property will assist with rewards for safe driving habits, and corrective behavior to an employee, along with the reduction of insurance cost. This also allows the company property preventive and break-fix maintenance to be streamlined to help eliminate mechanical breakdowns, and if a company property is stolen, it can assist law enforcement in a swift recovery. Please notify your supervisor if any equipment, machines, or tools appear to be damaged, defective or in need of repair. Your manager or supervisor can answer any questions about an employee's responsibility for maintenance and care of Company Property. At all times Company Property is in your possession or control, you are responsible for its care and security. In most cases you will be required to formally sign for equipment prior to taking possession.

If in the opinion of the Company, there is improper, careless, negligent, destructive, or unsafe use or operation of Company Property, disciplinary action may result. If the neglect is determined to be gross, the Company will expect remuneration for part or all of the replacement costs. No employee may remove Company Property without prior authorization.

Employees must return all Company Property immediately upon request or upon termination of employment. Each employee will be financially responsible for any lost or damaged items of Company Property. The value of any Company Property not returned may be deducted from your final paycheck or withholding of unused Paid Time Off. The Company may take all action appropriate to recover or protect its Company Property, including filing criminal charges if necessary.

#### ***Business Equipment Usage***

All business equipment, electronic and telephone communication systems, and all communications that are stored, received, or contained in the Company's information systems are the Company's property and are to be used solely for job-related purposes. To ensure proper use of communications systems and business equipment, we may monitor the use of these systems and equipment as we feel appropriate.

We strictly prohibit non-job-related uses of its software and business equipment, including but not limited to facsimiles, computers and copy machines. Unless an employee is granted permission (via logon, password or access code) they are prohibited from accessing files or retrieving any stored communication without prior and specific authorization from the Company. The Company's telephone and computer



system and all communications using those systems are the property of the Company and not that of the individual user. Accordingly, the employee should not have any expectations of privacy regarding his/her use of these methods of communication. Although employees may have individual access to voicemail, email, computer network and internet, these systems are accessible at all times by the Company and may be subject to periodic unannounced inspections by Company management. Employees expressly waive any right of privacy in anything they create, store, send, or receive on the Company's computer communication system. The Company can, but is not obligated to, monitor e-mails without prior notification. If there is evidence that you are not adhering to the guidelines set out in this policy, the Company reserves the right to take appropriate action. Personal use of these systems will not be tolerated.

### ***Office Telephone***

Office telephones are a vital part of our business operation, because of the large volume of business transacted by telephone. Limited personal use of the Company telephone is an exception to the prohibition against using all Company business equipment. Personal use of Company telephones however, should be limited.

### ***E-Mail***

The Company's e-mail system is a valuable business asset. All e-mail accounts maintained on our e-mail systems are property of the Company. Email is to be used solely for Company business.

Passwords are not to be given to other people and should be changed once a month. E-mail accounts not used for sixty (60) days will be deactivated and possibly deleted. Backup copies of e-mail are maintained and can be referenced for business and legal reasons. Confidential information is not to be sent via e-mail. If an employee is in doubt as to whether to send certain information via e-mail, first check with his/her supervisor. An employee may not encrypt any e-mails without obtaining written permission from a supervisor. If approved, the encryption key(s) must be made known to the Company.

Employees are prohibited from using the Company's email system for engaging in the following:

- Sending e-mails that may be threatening, annoying or harassing to others;
- Sending e-mails of a potentially insulting or offensive nature;
- Using another individual's account or identity without explicit authorization;
- Reading other Company employee's e-mail or electronic communications;
- Distributing or storing chain letters, jokes, solicitations, offers to buy or sell goods, or other non-business material; and
- Sending, receiving, downloading, displaying, distributing, accessing or storing offensive, obscene, defamatory, graphic or sexually oriented materials, or other similar material.

### ***Computer System and Network***

Company owned computer hardware (including laptops, notebooks, tablets, etc.), software, network and the internet is to be used solely for Company business. All passwords must be made known to the Company and the employee is responsible for reporting changes they make to their individual passwords. The use of passwords to gain access to the computer system or to secure specific files does not provide you with an expectation of privacy in the respective system or document.

Employees are prohibited from using the Company's computer system and network for engaging in the following:

- Personal, non-business use;
- To access personal or other's (non-business related) computer or applications using Company computer property or applications;
- Place beverages in close proximity to computer terminals;
- To monitor or intercept the files or electronic communications of employees or third parties;
- To obtain unauthorized access to any computer system;

- To attempt to test, circumvent, or defeat security or audit systems of the Company or any other organization;
- To review Company documents or information for non-business or personal uses, reasons, or interests;
- To sabotage or attempt to sabotage the system;
- To access and/or use personal software or disks on Company computers without prior authorization;
- Work on behalf of organizations without any professional or business affiliation with the Company; and/or
- Permit unauthorized persons to access the Company's system

### ***Internet Usage***

Internet usage is to be used solely for Company business. The internet is a powerful communications tool and a valuable source of information about vendors, customers, competitors, technology, and new products and services. Internet service includes, but is not limited to, e-mail, web browsing, mailing lists, newsgroups, and any other electronic service. This policy applies to any Internet service that is: 1) Accessed on or from any Company premises; or 2) Accessed using Company computer equipment or via Company paid access methods; or 3) Used in a manner that identifies an employee with the Company.

Improper use of the Company provided Internet service is prohibited. It can waste time and resources and possibly create legal liability and embarrassment for both the Company and the employee. Spending Company time to conduct personal business is "stealing" from the Company. Employees are not to expect privacy of any kind with respect to any of their use or activities using company provided Internet access or services. The Company reserves the right to monitor and/or review any files, messages, or communications sent, received, or stored on Company computer systems. Employees also need to understand that the Internet provides few privacy protections and your Internet use and communications can be revealed to outside individuals through no fault of the Company.

Employees are not to use Company provided internet services to engage in any of the following activities:

- Illegal, fraudulent or malicious conduct
- Accessing, sending, receiving, downloading, displaying, distributing, or storing offensive, obscene, defamatory, graphic or sexually oriented materials, or other similar material

### ***Cell Phone/Data Usage***

Cell phones and/or jetpacks are furnished to certain employees in connection with their job duties. Cell phones provide the ability to communicate almost anywhere, anytime. However, an important responsibility accompanies the benefits of cell phones, one that employees must take seriously.

Employees issued Company equipment such as cell phones, are expected to protect the equipment from loss, damage, or theft. Upon termination of employment, or at any time upon request, an employee may be asked to produce the phone for inspection and/or return. If an employee is unable to present the phone in good working condition within the time period requested (i.e., 24 hours), he/she will be expected to bear the cost of replacement.

The Company requires the safe use of cell phones used for work purposes at all times. Although various hands free attachments and phone features may be made available upon request for increased safety and convenience, we request that employees simply not use cell phones at all while driving on public roadways. Instead, employees are to plan their time accordingly, completing calls prior to driving and, if already driving, safely exiting roadways and stopping in a safe location prior to receiving calls, checking voice mails, or reading text messages. Although such precautions will sometimes consume extra time, you are always expected to conduct all of your business activities in a safe manner.

Company cell phones are to be used for business purposes. Employees need to limit personal use of their Company cell phone. Employees that have excessive cellular usage for personal calls and data usage will be required to reimburse the Company for the additional cost.

## Materials Testing Equipment & Inspection Tools

Depending on one's assignment, an employee may be assigned certain items of materials testing equipment or various inspection tools. In all cases, assigned equipment shall be formally checked out to the employee in writing. While checked out to an employee, the security and care of such equipment is the employee's responsibility. The costs associated with any loss or damage of checked out equipment deemed by the Company to be due to employee negligence shall be the employee's responsibility. If equipment is not functioning properly, or if routine calibration or maintenance is scheduled, it is the employee's responsibility to coordinate in a timely manner with the entity from which the equipment was checked out. If a nuclear density gauge is checked out, special storage and transport requirements will apply and the employee is responsible for 100% compliance. The employee shall not take possession of such equipment until the special requirements are completely understood. Deviation from such requirements will not be tolerated.

### ***Control of Waste and Loss***

Please exercise good judgment when using supplies, materials, and equipment. Always keep a watchful eye toward reducing or preventing waste and loss. Equipment, supplies, or materials cannot be removed from the office without management permission and are not to be used for non-company related activities. Please be cautious and recycle when possible.

### ***Supplies***

Supplies should be used efficiently. When a particular supply is nearly exhausted, the Office Manager should be notified so that it can be replenished. In order to maintain fiscal control, prevent duplication, and provide inventory control all purchases are processed through the Office Manager. Routine supplies and equipment may be requested directly from the Office Manager.

### ***Personal Mail***

It is Company policy that employees do not receive personal mail at Company addresses. Inbound personal mail should be directed to the employees' home.

### ***Company Vehicles***

Certain employees are allowed the use of a Company vehicle (Company owned or rented). Which employees are allowed the use of a Company vehicle, as well as the extent of such use, is at the sole discretion of the President and/or Vice President.

Every employee that is assigned a Company vehicle must obtain the internal policy and procedure regarding the driver's responsibilities and required procedures from the Fleet Manager. The following information is at the summary level for general information only. Use of Company vehicles are granted to employees with the following conditions and responsibilities:

- All drivers of Company vehicles must have a valid driver's license;
- Vehicles are assigned to employees for use on the job;
- Personal use of the vehicle is not permitted;
- Operating a Company vehicle while under the influence of drugs and/or alcohol may be grounds for immediate termination of employment;
- Drivers must maintain complete records on vehicles in the vehicle;
- Drivers must keep vehicles as clean as can reasonably be expected. The Company will reimburse for all maintenance, car washes, and necessary repairs;
- Drivers should pay normal attention to what service and maintenance is necessary to minimize expensive repair bills;
- Repairs resulting from neglect or abuse will not be tolerated and employees guilty of misuse or neglect may be terminated;
- Drivers are responsible for ensuring the vehicle receives proper maintenance;
- Drivers must take vehicle for a preventive maintenance check-up per procedural timeline;

- Drivers are responsible for vehicle emissions tests and will be notified by the Fleet Manager when it is time for the vehicle to be tested;
- Drivers must pay proper attention to the care of the vehicle and report any unusual observations about the vehicle's performance to the Fleet Manager. Examples of items to monitor and report on are; worn or damaged tires, water and coolant levels, and any defective equipment;
- All accidents involving a Company vehicle including broken, cracked, or chipped windshields must be reported immediately to the driver's supervisor and the Fleet Manager;
- Any employee receiving a traffic citation while operating a Company vehicle must report it immediately to his/her supervisor. The Company is not responsible for any resulting fines;
- Employees, who receive traffic citations for driving while under the influence of drugs and/or alcohol, reckless driving, or some other serious offense, may be terminated;
- It is Company policy to comply with State of Arizona law that prohibits tampering with or removing catalytic converters or other emissions control equipment from vehicles;
- If necessary to rent/lease a vehicle for Company business, it must be approved by an officer of the Company;
- While on Company business, the employees are obligated to follow all traffic laws and abide by parking restrictions. An employee accepts responsibility for the vehicle and its security, including repercussions for recovering costs due to negligence, speeding tickets, parking tickets, towing costs, and any other related cost;
- Personal losses are your responsibility, not the Company's; and
- All costs of authorized vehicle operation and maintenance will be paid by the Company.

### ***Mileage Logs***

Any employee driving a Company vehicle is required to fill out and turn in mileage logs on forms provided by the Company. Mileage logs will cover a specific period of time (one week or two weeks) and shall include all miles driven during the period. All miles will be classified by type as defined on the forms. Any unaccounted mileage, such as gaps in odometer readings between the end of one work day and the beginning of the next work day, may be treated as personal use, and the employee will be responsible for recovering the cost.

### ***Commuting & Personal Use of Company Vehicles***

Other than work related activity, the only authorized use of a Company vehicle is for commuting to and from the employees' residence. For clarification, attending training classes and driving to and from vehicle service facilities are also considered work-related use. Any use which results in a violation of our Company policy or reflects negatively to the public will not be tolerated. The Company policy is to comply with Federal Tax Law that requires taxing the value of the daily commute for each employee utilizing a Company-owned vehicle for commuting.

The Company requires that no personal items other than incidentals be stored in the vehicle. The vehicle is to be locked with work articles stored either in the lock box or trunk during times when the vehicle is not in use. Company equipment, including laptops, should not be left in the vehicle overnight and should be locked up in an appropriate secure facility. Even when not on the job, if a nuclear density gauge is in your possession it is imperative that you always follow the transport and storage requirements in accordance with the ARRA license of the gauge owner company.

Based on the number of days the employee worked, the Company will include the daily value for the commuting as compensation in the employee's bi-weekly paycheck. Such income will also be reported on the Form W-2 issued after each calendar year end. Such amount will be the minimum allowed by federal income tax laws.

In general, Company vehicles exist for the sole purpose of servicing our projects and our clients; hence the Company should theoretically be reimbursed by the client for all project related vehicle costs. However, many clients reduce consultant vehicle compensation to account for personal vehicle use. In the event that an employee utilizes a Company vehicle for other than allowable business purposes, such

usage will be considered personal usage and the employee will be charged the current Company specific fleet operational cost per mile for the personal miles.

***Use of Personal Vehicles on Company Business***

Use of personal vehicles for Company business is discouraged and will only be approved on a specific case by case basis. Company insurance does not cover private vehicles and the Company assumes no responsibility for loss or damage to persons or property of any kind resulting from personal vehicle use. Employees who use their vehicles for business purposes must have their own personal auto liability insurance.

***Personal Losses***

The Company cannot reimburse an employee for the loss of personal items such as currency, clothes, radios, tools, etc. The security of these items is the employee's responsibility.

## **SECTION 4 – WORKER SAFETY & GROWTH**

### **4.10 SAFETY**

#### ***Safety Program***

Management is committed to support the safety program. The goal of our safety program is the prevention of incidents/accidents and consistent enforcement of a safety policy. The Company is committed to provide a safe work environment for our employees and customers, we commit to the following:

#### Abide by OSHA Regulations

We work closely with all appropriate federal and state agencies and we strive to operate within the law. Our main objective, however, is not just to comply with the law, but the prevention of bodily injury.

#### Communicate Safety

Supervisors are required to see that safety talks are held with their employees. This enables the supervisor to keep employees up-to-date on what is happening with safety and gives employees an opportunity to express their thoughts. Suggestions will be evaluated for follow-up. It is our policy that everything possible be done to protect employees from incidents/accidents and injuries while on the job. If an employee has a concern about on-the-job safety, he/she is welcome to discuss it with any level of management without fear of retaliation. Employees are encouraged to contact their supervisor, the Safety Director or the Human Resource Manager if a safety hazard is not being addressed in a reasonable amount of time.

#### Be Aware of Risks

No one will knowingly be permitted or required to work while their ability or alertness is so impaired by fatigue, illness, alcohol, drugs or other causes that are likely to expose the individual or others to injury. Any employee under the influence of drugs and/or alcohol will not be allowed on the job.

#### Investigate and Report Incidents/Accidents

Every incidents/accident, regardless of how minor, will be investigated. The purpose of the investigation is to determine the cause, establish procedures for preventing recurrence, and to identify potentially serious hazards. An incidents/accident report shall be completed regardless of whether there is damage to Company equipment or injury. By state law, all employees are covered by Workers' Compensation Insurance. An employee is eligible for benefits under Workers' Compensation if he/she is injured or ill from a cause arising out of and in the course of your employment. The Company Management shall be responsible for notifying the employee's family of an on-the-job incidents/accident or injury.

#### ***Workplace Injury and Illness***

The Company takes pride in doing all it can to ensure the safety, health and well-being of all its employees. This policy outlines the Company's commitment to safety and provides guidance to all employees on the standards the Company expects its employees to follow.

Work-related injuries can occur as a result of workplace incidents/accidents or negligence, or as a result of repetitive or long-term behaviors. These types of injuries can sometimes be common in the construction industry.

We believe that the best way to deal with injuries is to prevent them from happening by always acting in a careful, conscientious, and professional manner. All employees are expected to abide by safe work practices and adhere to general safety rules to ensure their safety as well as the safety of co-workers. However, in some cases, injuries may still occur.

Any job-related injury or illness, regardless of severity, must be reported, verbally and/or written, as soon as possible to an employee's supervisor. The employee's supervisor will typically complete an initial safety incident report and forward it to HR.

Ideally, an injury or illness should be reported immediately. However, the Company recognizes that this is not always feasible. In case of a serious injury or an emergency situation, medical attention should reasonably come before reporting the injury. Additionally, some chronic injuries due to repeated or long-term behaviors may not immediately be identifiable. Therefore, the Company understands that these injuries may be reported within a reasonable time period after they initially occur.

Employees have an absolute legal right to report work-related injuries or illnesses. Nothing in any policy, and no statement by any other employee or supervisor, should be understood as discouraging employees from reporting an injury or illness. The Company policy is that employees will not be retaliated against, discriminated against, or otherwise punished for reporting an injury or illness and no Company policy should be considered as incentives not to report injuries or illness.

### ***Safety Requirements***

Every attempt has been made to provide employees and our customers with a safe work environment. In return, we require employees to assist the Company by complying with all safety standards, rules and orders that are applicable to the work environment and job. Employees are also responsible for working in a safe manner so as not to endanger themselves or others and to protect themselves and their co-workers. Employee safety responsibilities include, but are not limited to the following items:

- Employees should be alert for the use of unsafe work methods, especially in the field, which require observance and insurance of safety habits.
- If an employee has any doubt about how to do a task in a safe manner, he/she should ask a supervisor for help before proceeding.
- Do not engage in horseplay, rush through a job or behave in a way that may endanger the well-being of self or others.
- Inform a supervisor when asked to perform a task for which the employee thinks they have not been properly trained.
- Do not report for duty impaired or in a condition not fit for work. If an employee is found to be impaired, he/she will not be allowed to work.
- Do not use illicit drugs and/or alcohol on the job or bring such materials or any form of weapon onto work sites or Company facilities. If an employee has been prescribed a drug which restricts the operation of machinery or impairs his/her judgment, he/she is to bring this to the immediate attention of the supervisor prior to his/her work shift.
- Practice proper lifting techniques at all times. Regardless of how easy the lift may appear, always ask for assistance when necessary. To prevent injuries when working with equipment or handling heavy loads, thorough planning and supervision is recommended.
- Participate in the Company periodic safety topic program and as required, in regularly scheduled project safety meetings.
- Steel-toed work boots are required for those employees working in the field. When advance approval has been specifically obtained from his/her Company supervisor, the Company will reimburse an employee for 80% of the actual cost of OSHA approved work boots, up to a maximum reimbursement of \$75.00. Reimbursement shall be implemented by completing an employee expense report that includes a copy of the receipt and a copy of the OSHA approval tag that comes with the boots. Once an employee is reimbursed for work boots, he/she will not become eligible again for a period of two years; there will be no accumulating credit. If an employee leaves the service of the Company within 6 months after being reimbursed for work boots, the amount of the reimbursement may be deducted from their final paycheck or expense report.

### ***Safety Procedures***

- If an employee visits a project site, appropriate safety equipment should be worn. All permanent field personnel have hard hats and safety vests permanently assigned to them. Employees can also receive partial reimbursement for steel-toed shoes and safety vests.
- Keep tools and equipment in proper and safe working order. Report deficiencies to a supervisor immediately.
- Keep own work area free from debris. Keep walkways both inside and outside immediate working location free of debris that may cause an incident/accident.
- Clean up spills quickly to avoid slips and falls. Use appropriate warning signs when cleaning up.

- Immediately report to a supervisor any indications that the environment is not being maintained in a safe and healthful fashion. We will strive to respond promptly to correct any unsafe conditions. Suggestions for eliminating hazards are always welcome.
- Immediately report, verbally and/or written, to a supervisor any on-the-job incident/accident or injury to self, another employee, or a customer. Report all incident/accidents or injuries, no matter how slight they might be, even if it seems no medical treatment is needed. This is critical in the event that secondary effects appear later, for accurate insurance company reporting, and for Workers' Compensation filing.
- If an employee is injured away from the worksite or office, he/she should go to the nearest health clinic, hospital or doctor. The employee or representative should notify a supervisor and the Safety Officer as soon as possible.
- If an employee sees a fire (no matter how small) or smells smoke, contact a supervisor and immediately evacuate the premises. Try to extinguish a fire only if and when certain it is safe to do so.

### ***Safety Topic and Quiz***

All employees assigned to the field and laboratory shall participate in the Company Periodic Safety Topic program. Our objective is to provide each employee with safe tools and equipment, personal protection gear, and training. The main part of the program involves providing employees with written documentation on a specific safety related topic. This documentation will typically include a brief description of the safety topic, additional information related to the topic, and a short quiz pertaining to the topic. These topics will typically be distributed to the employees in the first week of every month and it is expected that the quiz be returned to the designated office by the end of the month. The topic will typically be circulated to the employees by putting a hard copy in the employee's in-box at the main office (if applicable), through email, or through direct mail. Arrangements will typically be made to set up the best distribution method based on the employees' work assignment but it is the employee's responsibility to ensure they are receiving the topics. If the topic has not been received by the second week of each month, the employee shall contact the designated office to receive the current distribution. Active participation in this program is mandatory. The degree of your individual participation will typically be considered during yearly evaluations.

### ***Yearly Individual Safety Inventory***

At the beginning of each year, employees will typically be sent a document to complete that requests information regarding the employee's current Company vehicle and the status of Company supplied safety equipment. This document will typically be used to ensure that our employees are properly equipped and to assist in the Company's maintenance of vehicles and procurement of personal protection equipment.

### ***Safety/Reporting of Injury***

The Company is committed to a safe work environment for employees. Employees should report any unsafe practices or conditions to their supervisor.

If employees are injured on the job, no matter how minor, they must immediately report this fact verbally and/or in writing to their supervisor.

If medical treatment for an on-the-job injury is needed, it must be obtained from one of the Company's designated physicians/facilities. If not, the employee may be responsible for the cost of medical treatment.



## **SECTION 4 – WORKER SAFETY & GROWTH**

### **4.20 PROFESSIONAL DEVELOPMENT**

Employees are encouraged to pursue relevant professional and educational activities. Such involvement allows the employee and Company to maintain and increase the high level of expertise and professionalism the Company is known for. All training approval is subject to applicability to position; Company needs, costs and funding availability. All employees are asked to sign an agreement stating that they agree to pay back any training costs incurred by the Company if they voluntarily terminate their employment within one year of completing training or obtaining the certification.

#### ***Professional Registration***

Professional staff members are encouraged to obtain their professional registrations as soon as they are eligible. In addition, all registered employees are urged to display their certification in their work area.

The following expenses, when preapproved and authorized relative to professional registration for engineers and land surveyors typically will be eligible for reimbursement:

- State examination and registration renewal fees;
- Examination and registration renewal fees in other states if requested by the firm; and/or
- Travel-related expenses to other states if such registration is requested by the Company.

Company policy is to pay for examination fees the first time the employee takes a required exam. In the event the employee fails to pass, subsequent examination fees and/or costs are the employee's responsibility.

Additionally, paying for in-state study seminars for examination preparation may be considered. However, such payment is made on a case-by-case basis and will require supervisory approval.

#### ***Technical Certification***

Most of the Company's current and prospective customers require Company employees to have specific technical certification. Whether an employee is required to obtain or renew a specific technical certification is at the sole determination and discretion of Company Management. For Company mandated certification, the Company will typically schedule and pay for the certification training and examination, as appropriate for an employee's assigned work. For other optional certification, the Company may, or may not participate in the cost, depending on the specific circumstances. Once the employee is notified that he/she is scheduled for training and/or an examination event that the Company has scheduled and paid for, it is the employee's responsibility to prepare/study/practice to whatever extent is necessary for obtaining certification. Most commonly, an employee successfully obtains certification and the process is complete. However, in some cases, the employee fails to satisfy the certification requirements. If an employee fails the initial certification exam, many certification vendors will allow one or more attempts at a reduced cost. However, if after exhausting all available attempts, an employee still fails to achieve the certification requirements, that employee may be held responsible for all costs already incurred by the Company associated with the specific certification that was ultimately not obtained.

Not attending a certification related event, skill assessment, or examination, either original or retry, constitutes failure. In the event that you will not be able to attend any of the activities associated with the certification process, you must notify the Company Training Administrator immediately. If notification is provided in writing to the Company Training Administrator more than 14 days in advance of the scheduled certification event, the employee may not be held responsible for the costs. Final determination will be dependent upon either the Company's ability to find a replacement, or the refund/credit policy of the specific certifying agency. Final determination regarding cost assignment will be at the sole discretion of the Company Management. Any costs assigned to the employee may be recovered through the payroll deduction process.

### ***Professional, Technical and Civic Organizations***

The Company encourages employee participation in professional, technical and civic organizations and societies. As such, the annual dues of one professional or technical society membership for all professional employees will be paid on a case by case basis and may be tied to specific attendance and reporting requirements. Time off work to attend local meetings will be allowed. If a meal is to be served at a meeting at an additional cost, the employee will be reimbursed for the cost of the meal. Time off and reimbursement of expenses may be allowed for employees attending national meetings provided that such attendance is of benefit to the Company and has been approved by a supervisor. Memberships in additional organizations or societies beneficial to the Company may be paid for with the approval of a supervisor.

### ***Seminars***

Brochures announcing seminars are reviewed regularly. Where attendance at such seminars is in the interest of the Company, efforts will be made for the appropriate employee(s) to attend. The desire to attend a seminar, even a relevant seminar, does not, however, guarantee that you will be allowed to attend it. Company priorities, such as work schedules and cash flow, take precedence. If an employee desires to attend an outside seminar, he/she should discuss it with his/her supervisor. When requested, persons attending outside seminars will provide their supervisor with a written summary of the seminar.