



Diverse Facility Solutions

# EMPLOYEE HANDBOOK – CALIFORNIA

Guidelines and Resources Manual

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# Diverse Facility Solutions

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## **FOREWORD**

Whether you have just joined our staff or have been at Diverse Facility Solutions for a while, we are confident that you will find our company a dynamic and rewarding place in which to work, and we look forward to a productive and successful association. We consider the employees of Diverse Facility Solutions to be one of its most valuable resources. This handbook has been written to serve as the guide for the employer/employee relationship.

There are several things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resource Department. Neither this handbook nor any other company document confers any contractual rights, either expressed or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time. The company may terminate your employment at will with or without cause and without prior notice. Likewise, you may resign for any reason at any time. No supervisor or other representative of the company (except the president) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time. We will try to inform you of any changes as they occur.

This handbook and the information in it should be treated as confidential. No portion of this handbook should be disclosed to others, except Diverse Facility Solutions employees and others affiliated with Diverse Facility Solutions whose knowledge of the information is required in the normal course of business.

Some subjects described in this handbook are covered in detail in official policy documents. Refer to these documents for specific information because the handbook only briefly summarizes those guidelines and benefits. Please note that the terms of the written insurance policies are controlling and override any statements made in this or other documents.

Whenever there is a conflict between this employee handbook and any collective bargaining agreement that may be applicable to the employee's employment, the provisions of the collective bargaining agreement shall govern, but only to the extent the collective bargaining agreement complies with federal and state laws and only with respect to the employees included in the bargaining unit.

# **DIVERSITY**

## **Equal Employment Opportunity Statement**

Diverse Facility Solutions provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, creed, color, ancestry, religion, gender, sex, sexual orientation, gender identity, pregnancy, national origin, citizenship status, age, disability, medical condition, genetic information, marital status, status as a covered veteran, military discharge status, criminal records that have been sealed or expunged, arrest records not resulting in conviction or any other characteristic protected by federal, state and/or local laws. Diverse Facility Solutions complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

Diverse Facility Solutions expressly prohibits any form of unlawful employee harassment based on race, creed, color, ancestry, religion, gender, sex, sexual orientation, gender identity, national origin, citizenship status, age, disability, genetic information, pregnancy, medical condition, marital status, status as a covered veteran, military discharge status, criminal records that have been sealed or expunged, arrest records not resulting in conviction or any other characteristic protected by federal, state and/or local laws. Improper interference with the ability of Diverse Facility Solutions employees to perform their expected job duties is absolutely not tolerated. We earnestly seek the cooperation of all employees in helping to maintain this policy.

The Company understands that the binary gender designations of female and male fail to adequately represent the diversity of human experience. Nonbinary is an umbrella term for people with gender identities that fall somewhere outside of the traditional conceptions of strictly either female or male. People with nonbinary gender identities may or may not identify as transgender, may or may not have been born with intersex traits, may or may not use gender-neutral pronouns, and may or may not use more specific terms to describe their genders, such as agender, genderqueer, gender fluid, Two Spirit, bigender, pangender, gender nonconforming, or gender variant. Thus, pursuant to California's Gender Recognition Act, any reference throughout the Employee Handbook and Addendum to the pronouns he or she, or him or her are only used for illustrative purposes as the Company respects nonbinary individuals too. If any employee is concerned with the improper use of a pronoun as it relates to that individual, they are encouraged to reach out to Human Resources.

## **Anti-Harassment and Anti-Discrimination Policy and Complaint Procedure**

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

It is the policy of Diverse Facility Solutions to ensure equal employment opportunity without discrimination or harassment on the basis of race, creed, color, ancestry, religion, gender, sex, sexual orientation, gender identity, pregnancy, national origin, citizenship status, age, disability, genetic information, medical condition, marital status, status as a covered veteran, military discharge status, criminal records that have been sealed or expunged, arrest records not resulting in conviction or any other characteristic protected by federal, state and/or local laws. Diverse Facility Solutions prohibits any such discrimination or harassment.

Diverse Facility Solutions encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of Diverse Facility Solutions to promptly and thoroughly investigate such reports. Diverse Facility Solutions prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

### **Definitions of Harassment**

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

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

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, creed, color, ancestry, religion, gender, sex, sexual orientation, gender identity, national origin, citizenship status, age, disability, medical condition, genetic information, marital status, status as a covered veteran, military discharge status, criminal records that have been sealed or expunged, arrest records not resulting in conviction or any other characteristic protected by federal, state and/or local laws or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

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

### **Individuals and Conduct Covered**

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

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

Harassment applies to the conduct of a supervisor toward a subordinate, an employee toward another employee, a non-employee toward an employee or an employee toward an applicant for employment. Harassment can apply to conduct outside the workplace as well as on the work site.

### **Complaint Process**

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

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

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

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

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

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

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

If a party to a complaint does not agree with its resolution, that party may appeal to Diverse Facility Solutions' Human Resource's' Department or Office of the President.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

### **Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA)**

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of Diverse Facility Solutions to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company

policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, termination, compensation, training or other terms, conditions and privileges of employment.

The company will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to Diverse Facility Solutions. Contact the Human Resource department with any questions or requests for accommodation.

### **Definitions**

As used in the ADA policy above, the following terms have the indicated meanings:

- “Disability” refers to a physical or mental impairment that substantially limits one or more of the major life activities of an individual. An individual who has such an impairment, has a record of such an impairment, or is regarded as having such an impairment is a “disabled individual.”
- “Direct threat to safety” means a significant risk to the health or safety of others that cannot be eliminated by reasonable accommodation.
- A “qualified individual with a disability” means an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that the individual holds or has applied for.
- “Reasonable accommodation” means making existing facilities readily accessible to and usable by individuals with disabilities, job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, adjustment or modification of examinations, adjustment or modification of training materials, adjustment or modification of policies, and similar activities.
- “Undue hardship” means an action requiring significant difficulty or expense by the employer. The factors to be considered in determining an undue hardship include: (1) the nature and cost of the accommodation; (2) the overall financial resources of the facility at which the reasonable accommodation is to be made; (3) the number of persons employed at that facility; (4) the effect on expenses and resources or other impact upon that facility; (5) the overall financial resources of the Company; (6) the overall number of employees and facilities; (7) the operations of the particular facility as well as the entire company ; and (8) the relationship of the particular facility to the Company. These are not all of the factors but merely examples.
- “Essential job functions” refers to those activities of a job that are the core to performing said job for which the job exists that cannot be modified.

### **Pregnancy Accommodation**

The company will reasonably accommodate qualified individuals who are pregnant (as used in this policy “pregnant” or “pregnancy” means pregnancy, childbirth, or medical or common conditions related to pregnancy or childbirth) so that they can perform the essential functions of their job. Any employee who requires accommodation due to pregnancy should notify Human Resources. Such accommodations may include but are not limited to reasonable break time and a private space (not a bathroom stall) in close proximity to the employee’s workstation to express breast milk. As a general guideline, to the extent possible, the company will permit the same or similar accommodations as it has provided to other employees who have been temporarily disabled by

conditions unrelated to pregnancy.

Employees who request leave and other accommodations due to pregnancy may be required to provide documentation from their health care provider as to the need for leave or other accommodations. The company will not require pregnant employees to take leave or accept an accommodation if the employee did not request the accommodation and does not want the accommodation and will not require an employee who is pregnant to take leave when another reasonable accommodation is available. When an employee who is pregnant does take leave, the company will attempt to reinstate the employee to her original job or an equivalent position. The employee should provide reasonable notice to the company of her intent to return to work, as well as documentation from her health care provider clearing her to return to work.

Human Resources is responsible for implementing this policy, including resolution of reasonable accommodation, safety, and undue hardship issues. Individuals who are pregnant and would like to request a reasonable accommodation because of pregnancy must contact Human Resources.

## **EMPLOYMENT**

### **Employee Classification Categories**

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

**Nonexempt employees** are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the minimum wage and overtime requirements of the FLSA or state law. These employees are those who are required to be paid overtime at the rate of time and one-half (i.e., one and one-half times) their regular rate of pay for all hours worked beyond forty (40) hours in a workweek and/or eight (8) hours in a workday, in accordance with applicable federal or state wage and hour laws.

**Exempt employees** are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA and state law. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor and applicable state wage and hour laws. These employees are not required to be paid overtime, in accordance with applicable federal and state wage and hour laws, for work performed beyond forty (4) hours in a workweek or eight (8) hours in a workday.

Diverse Facility Solutions has established the following categories for both nonexempt and exempt employees:

- **Regular, full time:** Employees who are not in a temporary status and who are regularly scheduled to work the company's full-time schedule of at least 37.5 hours per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefits program.

- **Regular, part time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the full-time schedule but at least 20 hours each week. Regular, part-time employees are eligible for some of the benefits offered by the company subject to the terms, conditions and limitations of each benefits program.
- **Temporary, full time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.
- **Temporary, part time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary workers are not eligible for company benefits unless required by applicable law, specifically stated otherwise in company policy or are deemed eligible according to plan documents.

You will be informed of your initial employment classification and of your status as an exempt or nonexempt employee during your orientation session. If you change positions during your employment as a result of a promotion, transfer, or otherwise, you will be informed by the human resources department of any change in your exemption status.

Please direct any questions regarding your employment classification or exemption status to the human resources department.

### **Internal Transfers/Promotions**

Employees with more than twelve (12) months of service may request consideration to transfer to other jobs as vacancies become available and will be considered along with other applicants. At the same time, the company may initiate transfers of employees between departments and facilities to meet specified work requirements and reassignment of work requirements.

Diverse Facility Solutions offers employees promotions to higher-level positions when appropriate. Management prefers to promote from within and may first consider current employees with the necessary qualifications and skills to fill vacancies above the entry level, unless outside recruitment is considered to be in the company's best interest.

To be considered, employees must have held their current position for at least 12 months, have a satisfactory performance record and have no disciplinary actions during the last 12 months. Management retains the discretion to make exceptions to the policy.

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

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

If employees begin a dating relationship or become relatives, partners or members of the same household and if one party to that relationship is in a supervisory position to the other party (or if a job change causes the situation described above to occur), the employee in a supervisory role is required to inform management and Human Resources of the relationship.

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

## **Disciplinary Actions**

Disciplinary Guidelines are designed to encourage fair and impartial treatment of all employees. These Guidelines are administered without discrimination and in full compliance with our equal employment opportunity philosophy.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. In all cases, the disciplinary action to be applied is at the discretion of the Company. The following are examples of infractions of rules of conduct that may result in disciplinary action including termination of employment:

- Rudeness to customers or poor customer service
- Assault or physical threats to customers or co-workers
- Carelessness resulting in substantial loss of business
- Dishonesty, including falsification of time keeping records or other Company records
- Excessive absenteeism or tardiness, or any absence without notice
- Failure to follow manager's instruction, insubordination or other disrespectful conduct towards manager
- Falsification of employment records
- Illegal discrimination
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Possession, distribution, sale or transfer of illegal drugs (or legal drugs obtained illegally), in the workplace or while on duty
- Possession of dangerous or unauthorized materials, such as explosives or firearms in the workplace
- Sexual or other unlawful harassment
- Sleeping while at work and on duty
- Smoking in prohibited areas
- Theft or inappropriate removal or possession of property
- Use of position to gain unauthorized access to confidential information
- Unauthorized disclosure of business "secrets" or confidential information
- Unauthorized use of telephones, mail, and computer system, or other employer-owned equipment as well as conducting personal business during work hours
- Violation of personnel policies
- Violation of safety rules
- Working under the influence of alcohol, illegal drugs or legal drugs obtained illegally
- Disregarding security requirements
- Refusing to submit to testing for drugs and/or alcohol

The above are only examples of common-sense rules which experience has shown to be both necessary and most effective in maintaining sound working relationships. They are only typical of cases which can result in disciplinary action ranging from verbal warning to termination and are not to be construed as limiting or restricting disciplinary action to only the specific cases listed.

## **Progressive Discipline**

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

Diverse Facility Solutions supports the use of progressive discipline to address issues such as poor work performance or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. Our progressive discipline policy has been designed consistent with our organizational values, HR best practices and employment laws.

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

The following outlines Diverse Facility Solutions' progressive discipline process:

- **Verbal warning:** A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.
- **Written warning:** Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning.
- **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, suspension or termination may occur.

Diverse Facility Solutions reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and termination.

## Separation of Employment

Separation of employment within an organization can occur for several different reasons.

- **Resignation:** Although we hope your employment with us will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment. Resigning employees are encouraged to provide two weeks' notice, preferably in writing, to facilitate a smooth transition out of the organization. Management reserves the right to provide an employee with two weeks' pay in lieu of notice in situations where job or business needs warrant such action. If an employee provides less notice than requested, the employer may deem the individual to be ineligible for rehire depending on the circumstances regarding the notice given.
- **Retirement:** Employees who wish to retire are required to notify their department director and the Human Resource department in writing at least one (1) month before the planned retirement date.

It is the practice of Diverse Facility Solutions to give special recognition to employees at the time of their retirement. The recipient must be employed with Diverse Facility Solutions for five (5) years to be eligible for a retirement gift. The amount provided for the gift is up to \$200, based on the employee's uninterrupted full-time service. The department director should contact the Human Resource department to purchase a gift or a gift card. Departmental funds may not be used to augment the gift.

- **Job Abandonment:** Employees who fail to report to work or contact their supervisor for three (3) consecutive workdays shall be considered to have abandoned the job without notice, effective at the end of their normal shift on the third day. The supervisor shall notify the Human Resource department at the expiration of the third workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible for rehire.
- **Termination:** Employees of Diverse Facility Solutions are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

## Return of Company Property

The separating employee must return all company property at the time of separation, including but not limited to uniforms, cell phones, keys, PCs and identification cards. Failure to return some items may result in deductions from the final paycheck in accordance with applicable law. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

The separating employee shall contact the Human Resource department as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or another day, as mutually agreed on.

Accrued but unused PTO leave will be paid in the last paycheck.

## Rehire

Former employees who left Diverse Facility Solutions in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human

Resource department, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required.

Supervisors must obtain approval from the Human Resource director or designee prior to rehiring a former employee. Rehired employees begin benefits just as any other new employee. Previous tenure will not be considered in calculating longevity, leave accruals or any other benefits.

An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

## **WORKPLACE SAFETY**

### **Drug and Alcohol Policy**

Diverse Facility Solutions has a longstanding commitment to provide a safe and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, Diverse Facility Solutions is committed to the elimination of drug and/or alcohol use and abuse in the workplace.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. The company has established the following procedures to address these dangers and to fairly and consistently deal with any employee who is suspected of violating the company's Drug and Alcohol Policy. These procedures are designed to balance employees' individual interests and rights, including their right to privacy, and the collective interests of the company, its workforce, and its customers to be free from the dangers and adverse effects of drug and alcohol abuse and misuse. Accordingly, the company enforces this Drug and Alcohol Policy through reliable, minimally invasive examination and screenings as described below.

This policy applies to all employees and all applicants for employment of Diverse Facility Solutions. The Human Resource department is responsible for policy administration.

#### Policy

Consistent with this policy, the company prohibits the manufacture, distribution, dispensation, possession, concealment, use, sale or transfer of alcohol or illegal drugs, and the possession of drug related paraphernalia on company property, while operating company equipment or vehicles, during working time, and while on company business. The company prohibits employees from using or being under the influence of alcohol, illegal drugs or controlled substances (except as properly prescribed as further detailed below) while at work, while performing company business or job-related duties, while on company property, and while operating equipment or vehicles on behalf of the company.

Employees taking over-the-counter or prescribed medication must be aware of any effect the medication may have on the performance of their duties. Employees should inform their physicians of their job duties in order to make certain that prescribed drugs and recommended over-the-counter medications do not affect or interfere with their safe and effective job performance. Employees must promptly report to their immediate supervisor the use of any medication which has or may have any adverse effect on their ability to effectively and safely perform essential job duties. Information shared pursuant to this policy will be kept confidential and employees will be reasonably accommodated to the extent required by law. (See also ADA Policy.) All prescription drugs and over-the-counter medications must be kept in their original packaging or container. Employees who fail to adhere to these provisions may be subject to disciplinary action, up to and including immediate

discharge.

All employees have an obligation to comply and support this policy. Any employee who is aware of a violation of the policy should report it to his/her immediate supervisor or any manager. Every effort will be made to preserve the confidentiality of the source of a report. All reports will be taken seriously. Persons submitting false reports are subject to discipline up to and including immediate termination.

The only exception to the drug and alcohol policy will be the use or consumption of alcoholic beverages at those times and places authorized by the President of *Diverse Facility Solutions* or his/her authorized representative.

The company recognizes that certain states and municipalities allow the possession or use of marijuana and/or medicinal marijuana. However, in accordance with all applicable laws and recognizing developing legal trends, and in order to maintain a safe, efficient and effective workforce, the company's employees may not use or possess marijuana (including medical marijuana or derivatives of marijuana) on company property or in the course of their employment. The company also prohibits employees from reporting to work under the influence of marijuana (including medical marijuana or derivatives of marijuana) to the extent that it may have any adverse effect on the employee's ability to safely, effectively and productively perform work functions or essential job duties.

#### Search Policy

Diverse Facility Solutions reserves the right to inspect all portions of its premises for drugs, alcohol or other contraband. All employees, contract employees and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal a drug, alcohol or other contraband. The company may conduct searches on and of any of its property, including inspection of vehicles, lockers, desks, employee tool and lunch boxes, briefcases, packages, etc. Private vehicles parked on company property are included in this search policy to the fullest extent permitted by applicable law. Refusing to submit to a search or inspection when requested by management will be cause for immediate discharge. Any illegal substance found on company property may be turned over to appropriate law enforcement authorities for investigation and possible criminal enforcement action. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline up to and including termination.

### **TESTING OF EMPLOYEES AND APPLICANTS**

#### **Post-Offer Drug Testing**

To ensure the success of this drug and alcohol policy, all post-conditional job offer applicants will be asked to submit to drug testing prior to and as a condition of commencing employment. *All offers of employment with the company are contingent on the company receiving a negative drug test result verified by a qualified independent Medical Review Officer.*

Should an applicant test positive, the test result of the sample will be confirmed by an approved laboratory using a scientifically accepted method. If the positive result is confirmed, the applicant's offer of employment will be automatically rescinded by the company (or if the applicant has already begun working for the company, the applicant's employment will come to an immediate end. However, the applicant can submit documentation supporting the legitimate use of a drug that resulted in a positive determination. This documentation must be made either prior to or within 24 hours after the positive drug result is communicated to the applicant. Should the applicant's ability to safely and effectively perform his or her job be affected by the legitimate use of any drug, then the company will attempt to provide accommodations to the extent required by law. If the offer of

employment is revoked or if employment ends, the applicant who tests positive under the provisions of this policy may re-apply for employment with the company after a time period of twelve (12) months, however, there shall be no guarantee of re-employment.

**ANY APPLICANT WHO REFUSES TO CONSENT TO A TEST OR WHO FAILS TO COMPLY WITH ANY TESTING PROCEDURES OR TESTS POSITIVE FOR THE USE OF DRUGS WILL NOT COMMENCE WORK FOR THE COMPANY, AND THE JOB OFFER WILL BE AUTOMATICALLY RESCINDED. EMPLOYMENT IS EXPRESSLY CONDITIONED ON THE SUCCESSFUL PASSAGE OF THE POST-OFFER DRUG SCREEN.**

**In recognition of the requirements of the Americans with Disabilities Act (ADA), the Company will not intentionally discriminate against an applicant who has successfully completed a drug or alcohol rehabilitation program. However, the ADA does not prevent the company from refusing to hire any applicant who tests positive for illicit drug use prior to employment.**

### **Reasonable Suspicion**

All employees will be asked to submit to drug and/or alcohol testing if the company has a reasonable suspicion that they are using drugs or alcohol in violation of this Drug and Alcohol Policy. Reasonable suspicion is based on a trained supervisor or member of management's observation of indicators of impairment. All pertinent company managers and supervisors will receive training to assist them in identifying behavioral characteristics which suggest the use of prohibited substances in the workplace. Circumstances giving rise to reasonable suspicion testing include, but are not limited to:

1. When the company has reasonable suspicion to believe an employee's abuse of drugs or alcohol threatens his or her own personal safety or the personal safety of other individuals.
2. When the Company has reasonable suspicion to believe an employee's use of drugs or alcohol caused, may have caused, contributed to or may have contributed to (1) a workplace incident that caused harm to one or more employees or (2) which could or may have caused harm to one or more employees;
3. When the company has reasonable suspicion to believe an employee's abuse of drugs or alcohol has compromised his or her fitness for duty;
4. When an employee's observed action or appearance while on duty leads the company to reasonably suspect drug or alcohol abuse, such as, behavior, appearance, judgment, coordination, job performance and/or other conduct including, but not limited to, slurred speech, glassy eyes, unsteady walk, disorientation, significant or repeated lapses of concentration, emotional outbursts, substantial mood changes, the smell of alcohol on the employee's breath, etc.;
5. When the company observes or receives credible information that the employee is using drugs or alcohol on company time; or
6. When other facts support a reasonable suspicion that the employee is using or has symptoms of drugs and/or alcohol abuse in violation of this policy.

Managers and supervisors who have reasonable suspicion to believe an employee using drugs or alcohol in violation of this Drug and Alcohol Policy must confidentially notify the company's Human Resources Department. Human Resources will investigate to determine if the manager's or supervisor's suspicions are reasonable. If Human Resources determines reasonable suspicion exists, the employee will be asked to submit to appropriate testing and escorted directly to and from the

collection site. The employee will be transported to and from the collection site by a company representative and/or an independent third party. Refusal to consent to testing without good cause is grounds for termination of employment. Once the determination that reasonable suspicion exists, the employee is not permitted to return to work until he or she has a negative drug and/or alcohol test.

If notice of a positive test result is received from the Medical Review Officer, the employee will be subject to disciplinary action up to, and including, termination of employment. If a negative test result is received, the employee will be immediately reinstated for work with back pay, if applicable.

If an employee refuses to submit to a drug test when requested by the company (and/or if there is tampering with the test sample or test results), this will be grounds for immediate termination.

#### Payment

Employees will be paid for time spent in alcohol/drug testing. Pending results of the alcohol/drug test, the employee will be suspended without pay. After the results of the test are received, a date/time will be scheduled to discuss the results of the test; this meeting will include a member of management and Human Resources. Should the results prove to be negative, the employee will receive back pay for the times/days of suspension.

#### **TESTING METHODOLOGY**

The company will use a properly accredited third-party vendor to perform testing in accordance with applicable federal, state and local law and industry best practices.

#### ***Drug Screening***

Drug Testing will be conducted to screen for the presence of some or all of the following drugs and their metabolites:

- Amphetamine / Methamphetamine
- Barbiturates
- Benzodiazepines
- Cocaine
- Methadone
- Methaqualone
- Opiates (such as heroin, codeine and morphine)
- Phencyclidine (PCP)
- Propoxyphene
- THC (marijuana)

The company will retain an independent and properly qualified Medical Review Officer to receive test results from the laboratory and to carry out all actions necessary to confirm positive test results. An appropriate "chain of custody" will be established for all testing completed pursuant to this policy. "Chain of custody" means a procedure used to document the handling of the specimen from the time the employee gives the specimen to the collector until the specimen is destroyed.

#### ***Alcohol Screening***

All alcohol breath testing performed under this program shall be performed to determine blood alcohol content only. Any employee having a blood alcohol content of at least .02 shall be deemed to have tested positive for alcohol and such a result shall subject the employee to disciplinary action up to, and including, termination of employment

## **VIOLATION OF POLICY**

Any employee who violates this policy by distributing, using, or possessing any illegal drugs or by misusing or abusing alcohol or legal, over-the-counter and/or prescription medication while on the job, on company property, while operating company equipment or vehicles, or operating any other equipment while on company business will be subject to disciplinary action up to and including termination without any prior warnings.

Any employee who refuses to sign a consent form or take a drug or alcohol test or submits an adulterated sample of any kind will be suspended pending investigation by the Human Resources Manager. The company will review the circumstances and make a determination whether the employee had a valid reason to refuse or not cooperate. If the employee is found not to have a valid reason to refuse or not cooperate, the employee will be terminated for violating the company's Drug and Alcohol Policy. Employees that test positive for drugs or alcohol in violation of this policy are subject to disciplinary action up to and including termination without any prior warnings.

Neither this policy nor any of its terms are intended to create a contract of employment, or to alter the existing employment or contractual relationship in any way. The company reserves the right to interpret, revise, change, amend, modify or discontinue any term or provision of this policy without notice.

### **Confidentiality**

Information and records relating to positive test results, drug and alcohol dependencies and legitimate medical explanations provided to the medical review officer (MRO) shall be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files.

### **Last Chance Opportunity**

Employees who have tested positive, or otherwise violated this policy, are subject to discipline up to and including termination. Depending on the circumstances and the employee's work history/record, Diverse Facility Solutions may offer an employee who violates this policy or tests positive the opportunity to return to work on a last-chance basis pursuant to mutually agreeable terms, which could include follow-up drug testing at times and frequencies for a minimum of one (1) year but not more than two (2) years. If the employee either does not complete his/her rehabilitation program or tests positive after completing the rehabilitation program, he/she will be subject to immediate termination from employment.

### **Employee Assistance and Drug-Free Awareness**

Illegal drug use and alcohol misuse have a number of adverse health and safety consequences. Information about those consequences and sources of help for drug/alcohol problems is available from the Human Resource department, whose members have been trained to make referrals and assist employees with drug/alcohol problems.

Diverse Facility Solutions will assist and support employees who voluntarily seek help for such problems before becoming subject to discipline and/or termination under this or other policies. Such employees may be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and otherwise accommodated as required by law. Such employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety sensitive or that require driving or if they have violated this policy previously.

## Workplace Bullying

As with harassment, the company prohibits acts of bullying. The company has determined that a safe and civil environment is necessary for employees to be successful and productive. Bullying, like other disruptive or violent behaviors, is conduct that disrupts both an employee's ability to positively contribute to the company on a day-to-day basis and the company's ability to successfully run its business. Demonstration of appropriate behavior, treating others with civility and respect, and refusing to tolerate harassment or bullying is expected of all supervisors, co-workers, vendors, customers, contractors, and other regular visitors of the company.

Diverse Facility Solutions defines bullying as "repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment." Such behavior violates the company Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when meting out discipline. As in sexual harassment, it is the effect of the behavior upon the individual that is important. Diverse Facility Solutions considers the following types of behavior examples of bullying:

- **Verbal bullying:** Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- **Physical bullying:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work area or property.
- **Gesture bullying:** Nonverbal threatening gestures or glances that convey threatening messages.
- **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities.

An employee who believes that he or she has experienced or witnessed bullying is encouraged to report the incident as soon as possible to his or her supervisor or, in the alternative, Human Resources. A supervisor who receives a report under this policy must immediately inform Human Resources unless the complaint involves Human Resources, in which case the supervisor should inform company upper management. Reports may be made anonymously, but formal disciplinary action may not be based solely on the basis of an anonymous report.

A prompt, thorough, and complete investigation of each alleged incident will be conducted. The company prohibits reprisal or retaliation against any person who reports an act of bullying. The company prohibits any person from falsely accusing another as a means of bullying. An employee found to have violated this policy may be disciplined up to and including termination of employment.

## **Violence in the Workplace**

All employees, customers, vendors and business associates must always be treated with courtesy and respect. Employees are expected to refrain from conduct that may be dangerous to others.

Conduct that threatens, intimidates or coerces another employee, customer, vendor or business associate will not be tolerated. Diverse Facility Solutions resources may not be used to threaten, stalk or harass anyone at the workplace or outside the workplace. Diverse Facility Solutions treats threats coming from an abusive personal relationship as it does other forms of violence.

The following list of unacceptable behaviors, while not inclusive, provides examples of conduct that is prohibited:

- Causing or threatening physical injury to another person
- Making threatening remarks or gestures
- Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress.
- Possession of a weapon while on company property or while on company business.
- Committing acts motivated by, or related to, sexual harassment or domestic violence.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor, security personnel, Human Resources, member of Diverse Facility Solutions' Threat Management Team or any member of senior management. When reporting a threat or incident of violence, the employee should be as specific and detailed as possible. Employees should not place themselves in peril, nor should they attempt to intercede during an incident.

Employees should promptly inform the Human Resource department of any protective or restraining order that they have obtained that lists the workplace as a protected area. Employees are encouraged to report safety concerns with regard to intimate partner violence. Diverse Facility Solutions will not retaliate against employees making good-faith reports. Diverse Facility Solutions is committed to supporting victims of intimate partner violence by providing referrals to Diverse Facility Solutions' employee assistance program (EAP) and community resources and providing time off for reasons related to intimate partner violence.

Diverse Facility Solutions will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as possible. Diverse Facility Solutions will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. To maintain workplace safety and the integrity of its investigation, Diverse Facility Solutions may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

Diverse Facility Solutions encourages employees to bring their disputes to the attention of their supervisors or Human Resources before the situation escalates. Diverse Facility Solutions will not discipline employees for raising such concerns.

**DUTY TO WARN:** In furtherance of this policy, employees have a “duty to warn” their supervisors, security personnel, or human resources representatives of any suspicious workplace activity or situations or incidents that they observe or that they are aware of that involve other employees, former employees, customers, or visitors and that appear problematic. This includes, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. Employee reports made pursuant to this policy will be held in confidence to the extent possible. The company will not condone or tolerate any form of retaliation against any employee for making a report in good faith under this policy.

***Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.***

### **Workplace Searches**

To 1) protect and secure the property of our employees, our customers, and *Diverse Facility Solutions* and 2) help prevent the possession, sale, and use of illegal drugs on *Diverse Facility Solutions* premises (in support of *Diverse Facility Solutions* drug-free workplace policy), *Diverse Facility Solutions* establishes the right to question employees (and all other persons entering and leaving our premises), and to inspect any property whether locked or unlocked including packages, parcels, purses, handbags, briefcases, lunchboxes, electronic equipment or any other possessions or articles carried to and from *Diverse Facility Solutions* premises.

In addition, *Diverse Facility Solutions* reserves the right to search any employee's office, desk, files, locker, smart phone, tablet, computer, laptop computer, electronic organizer, or any other area or article on our premises, including personal or Company vehicles, whether such property is locked or unlocked and whether or not the lock is Company owned or employee owned. In this connection, it should be noted that all offices, desks, files, lockers, and so forth, whether locked or unlocked, are the property of *Diverse Facility Solutions* and are issued for the use of employees only during their employment with *Diverse Facility Solutions*.

Searches and inspections may be conducted at any time at the discretion of *Diverse Facility Solutions*.

To this end, the Company has posted notices in our facilities informing all employees, prospective employees, customers, visitors, and all other individuals of the Company's broad workplace search policy.

Individuals entering the premises of *Diverse Facility Solutions* who refuse to cooperate in an inspection or search conducted under this policy will not be permitted to enter the premises of *Diverse Facility Solutions*. Employees who refuse to cooperate in an inspection or search, as well as employees who after the inspection or search are believed to be in possession of stolen property or illegal drugs, will be sent immediately to the Human Resources Department and be subjected to disciplinary action up to and including discharge (if, on investigation, they are found to be in violation of the Company's security procedures or any other Company rules and regulations).

Employees should not have an expectation of privacy as to any property or articles on company premises, including computers, electronic equipment, etc.

*Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

## **Weapons Policy**

To ensure that the company maintains a workplace safe and free of violence and/or intimidation for all employees, the company prohibits the possession or use of perilous weapons on company property to the fullest extent allowed by law.

No employee is authorized to possess a firearm or weapon on any company property or while engaged in Company business, except as permitted by and in strict accordance with applicable state law.

Employees are prohibited from displaying, brandishing, discharging or otherwise using any and all dangerous weapons, including firearms. Making threats, engaging in acts of violence, or bullying, especially if a dangerous weapon is involved, will not be tolerated.

Any employee in violation of this policy will be subject to prompt disciplinary action, up to and including immediate termination.

"Company property" is defined as all company-owned or leased buildings and surrounding areas such as sidewalks, walkways, driveways and, to the extent permitted by law, parking lots under the Company's ownership or control. This policy applies to all company-owned or leased vehicles and, to the extent permitted by law, all vehicles that come onto company property.

"Dangerous weapons" include, but are not limited to, firearms, explosives, knives and other weapons that might be considered dangerous or that could cause harm. Employees are responsible for making sure that any item they possess while on company property, in a company vehicle, or while conducting Company business is not prohibited by this policy.

## **Safety**

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner complying with all local, state and federal safety and health regulations and program standards, and with any special safety concerns for use in a particular area or with a client.

Although most safety regulations are consistent throughout each department and program, each employee has the responsibility to identify and familiarize her/himself with the emergency plan for his/her working area. Each facility shall have posted an emergency plan detailing procedure in handling emergencies such as fire, weather-related events and medical crises.

It is the responsibility of the employee to complete an Accident and Incident Report for each safety and health infraction that occurs by an employee or that the employee witnesses. Failure to report such an infraction may result in employee disciplinary action, including termination.

Furthermore, management requires that every person in the organization assume the responsibility of individual and organizational safety. Failure to follow company safety and health guidelines or engaging in conduct that places the employee, client or company property at risk can lead to employee disciplinary action and/or termination.

The Health and Safety Committee and the Safety Director shall have the responsibility to develop and the authority to implement the safety and health program in the interest of a safer work environment.

## **Mobile Phone Use**

Employees should be aware that the company does not promote the use of mobile phones while operating a vehicle. Mobile use includes, but is not limited to, talking, texting, instant messaging, using the Internet, emailing, etc. Safety must come before all concerns; under no circumstances should employees place themselves or others at risk to fulfill business needs.

Employees whose job responsibilities include driving, and who may use a mobile phone for business purposes, are expected to refrain from using their mobile phone while driving. Employees should plan calls to allow placement either prior to driving or while on rest breaks. Employees are expected to pull off to the side of the road and safely stop their vehicle before using a mobile phone. If acceptance of a call while driving is unavoidable, and pulling over is not an option, employees are expected to keep the call short and use a hands-free device, so that their eyes remain focused on the road, and both hands remain on the steering wheel, at all times.

Employees will be solely responsible for any traffic violations resulting from the use of a phone while driving.

Personal use of cell phones during working time is not permitted unless it is an emergency (for example, when a school is trying to reach a parent about their child). As technological advances continue to expand the functions of cell phones and similar personal equipment, employees are advised that any unauthorized use of such devices at work to record, take pictures or videos and/or to transmit same may well be a violation of federal and state criminal laws and, regardless, will not be tolerated. Anyone determined to have engaged in such activity will be immediately disciplined as well as reported to the authorities.

Employees also should be aware that communications over mobile phones are not necessarily confidential; it is possible that outside parties could tap into those communications. If you need to communicate about a highly confidential matter, please try to use a more secure method of communication.

Violations of this policy will be subject to discipline, up to and including termination.

*Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

## **Smoke-Free Workplace**

It is the policy of Diverse Facility Solutions to prohibit smoking on all company premises in order to provide and maintain a safe and healthy work environment for all employees. The law defines smoking as the "act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind."

The smoke-free workplace policy applies to:

- All areas of company buildings.
- All company-sponsored off-site conferences and meetings.
- All vehicles owned or leased by the company.
- All visitors (customers and vendors) to the company premises.
- All contractors and consultants and/or their employees working on the company premises.
- All employees, temporary employees and student interns.

Smoking is permitted in parking lots or other designated areas.

Employees who violate the smoking policy will be subject to disciplinary action up to and including immediate termination.

## **WORKPLACE EXPECTATIONS**

### **Confidentiality**

Our clients and other parties with whom we do business entrust the company with important information relating to their businesses. It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a “need to know.” If an employee questions whether certain information is considered confidential, he/she should first check with his/her immediate supervisor.

This obligation of confidentiality applies to Employees even after they leave the company as long as the information remains confidential and is not generally available to the public. The disclosure of Confidential Information can be harmful to the company and could be the basis for legal action against the company and/or the employee responsible for the disclosure. The company also respects the rights of others regarding their confidential information. You must not accept, solicit or divulge confidential information from or about any third-party including customers without the prior authorization of the President of the company.

Further, the company expects that any knowledge, techniques, written materials and other information relative to the company’s business developed during employment remain the property of the company. Unless otherwise identified by management, all employees shall assume that such information is confidential.

Violation of this provision may result in disciplinary action up to and including discharge.

This policy is always intended to alert employees to the need for discretion and is not intended to inhibit normal business communications.

All inquiries from the media must be referred to the Marketing Department at 773.582.1022.

*Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

### **Conflicts of Interest**

Employees must avoid any relationship or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their jobs. At times, an employee may be faced with situations in which business actions taken on behalf of Diverse Facility Solutions may conflict with the employee’s own personal interests. Company property, information or business opportunities may not be used for personal gain.

**Conflicts of interest could arise in the following circumstances:**

- Being employed by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while employed with Diverse Facility Solutions.
- Hiring or supervising family members or closely related persons.
- Serving as a board member for an outside commercial company or organization.
- Owning or having a substantial interest in a competitor, supplier or contractor.
- Accepting gifts, discounts, favors or services from a customer/potential customer, competitor, employee or supplier, unless equally available to all company employees.

Employees with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their manager or the Human Resource department.

**Outside Employment**

Employees are permitted to engage in outside work or to hold other jobs, subject to certain restrictions as outlined below.

Activities and conduct away from the job must not compete with; conflict with or compromise the company interests or adversely affect job performance and the ability to fulfill all job responsibilities. Employees are prohibited from performing any services for customers on nonworking time that are normally performed by Diverse Facility Solutions. This prohibition also extends to the unauthorized use of any company tools or equipment and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside business during paid working time.

Employees are cautioned to carefully consider the demands that additional work activity will create before accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel or refusal to work overtime or different hours. If Diverse Facility Solutions determines that an employee's outside work interferes with performance, the employee may be asked to terminate the outside employment.

Employees who have accepted outside employment may not use PTO to work on the outside job. Fraudulent use of PTO will result in disciplinary action up to and including termination.

## **Attendance and Punctuality POLICY**

Timely and regular attendance is an expectation of performance for all Diverse Facility Solutions employees. To ensure adequate staffing, positive employee morale, and to meet expected productivity standards throughout the organization, employees will be held accountable for adhering to their workplace schedule. In the event an employee is unable to meet this expectation, he/she must obtain approval from their supervisor in advance of any requested schedule changes. This approval includes requests to use appropriate accruals, as well as late arrivals to or early departures from work. Locations have discretion to evaluate extraordinary circumstances of a tardy, absence or failure to clock-in or clock-out and determine whether or not to count the incident as an occurrence. HR is available to advise supervisors regarding the evaluation of extenuating circumstances.

### **PROCEDURE**

#### **1. Excused Absent**

An employee is deemed excused when he/she is unavailable for work as assigned or scheduled and such time off was scheduled and approved within the appropriate time as required by your location. For the sake of this policy, excused absences are not counted as occurrences until such time the employee has exhausted his/her allotted PTO, as dictated by your local site agreements, or after (6) excused absences, whichever is greater. Excused absences may be paid, according to local site agreements, or unpaid. Proof of absences may be requested by management in order for the absence to be counted as excused.

Examples of excused absents include but not limited to:

- Sickness
- Child Sickness
- Medical appointment
- Surgery
- Family Emergency (with documentation)
- Transportation Emergency (with documentation)

#### **2. Unexcused Absent**

An employee is deemed unexcused when he/she is unavailable for work as assigned or scheduled and such time off was not scheduled and/or approved without the proper (2) hour notification. Unexcused absents will not be paid.

#### **3. Tardy**

An employee is deemed to be tardy when he/she:

- Arrives to work past his/her scheduled start time may be replaced for the full shift at the discretion of his/her supervisor.
- Leaves work prior to the end of assigned or scheduled work time without prior supervisory approval.
- Takes an extended meal or break period without approval

#### **4. Time Clocks and Failure to Clock in/out**

Employees are required to follow established guidelines for recording their actual hours worked. A missed clock in/out is a violation of this policy and includes:

- Failure to clock in/out on their designated time clock at the beginning and/or end of their

- assigned shift;
- Failure to clock in/out on their designated time clock for the meal break;
- Failure to accurately and timely report time worked.
- Clocking in/out early (or late) of assigned shift without prior approval.

### **Location Notification Procedure**

Employees are expected to follow location notification procedures if they will be late for work, will not be at work, or are requesting planned time away from work. Employees must request in advance to their supervisor or designee and in accordance with location procedure if they wish to arrive early or leave early from an assigned shift.

At the time of notification/call, the employee must notify their supervisor when an absence is due to a documented/approved leave of absence (e.g. Military Leave, FMLA) in order to ensure appropriate tracking of leave utilization and absenteeism.

An employee who fails to call in and report to work as scheduled for three (3) consecutively scheduled work days will be viewed as having abandoned their position and employment will be terminated. The supervisor should consult with Human Resources if this situation occurs.

PTO may be used in the case of emergency or sudden illness without prior scheduling. Patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available paid time off. Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA) will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA may be required in these instances.

Incidents of not following the locations notification procedures, including No-Call/No-Show, will be addressed in accordance with the Progressive Discipline policy.

### **Progressive Discipline Process**

Supervisors should monitor their employees' attendance on a regular basis and address unsatisfactory attendance in a timely and consistent manner. If supervisors notice a pattern of unscheduled usage of accrued time off banks, they should discuss this concern with the employee.

When an employee has been previously counseled under the Progressive Discipline Policy the totality of the circumstances will be assessed when determining further action. For situations involving suspension or termination of employment, the supervisor should consult with Human Resources prior to implementing disciplinary action.

Timely and regular attendance is a performance expectation of all Diverse Facility Solutions employees. Consequently, those employees who have exhibited unsatisfactory attendance that resulted in disciplinary action (written or final) during the course of the year may have the behavior documented in their performance evaluation.

THE COMPANY RESERVES THE RIGHT, DUE TO THE NATURE, PARTICULAR CIRCUMSTANCES AND BUSINESS MATTERS SURROUNDING ANY VIOLATION OF ANY WORKPLACE RULE OR POLICY, TO TAKE DISCIPLINARY ACTION UP TO AND INCLUDING IMMEDIATE TERMINATION OF EMPLOYMENT.

### **Occurrences**

An occurrence is documented as an unexcused absence, excused absents (once all allotted excused days are exhausted), tardy or missed time clock in/out. While an absence refers to a single failure to

be at work, an occurrence may cover consecutive absent days when an employee is out for the same reason.

The following grid is designed to provide guidelines when addressing the total number of occurrences in a rolling 12-month period, provided that the reason for an occurrence is not protected under FMLA or ADA/ADAAA.

	Occurrences/Days	Discipline Step and Action
<b>1 Occurrence is equal to:</b> * 1 Unexcused Absence * 2 Tardies / Early Quit * 2 Missed Clocks * 1 Excused Absences (beyond those allotted excused by local site agreements or handbook, whichever is greater)	2 Occurrences	Step 1: Verbal Warning
	4 Occurrences	Step 2: Written Warning
	6 Occurrences	Step 3: (PIP) Final Warning
	8 Occurrences	Step 4: Suspension/Termination
Single Day No Call / No Show	1 Occurrence	Step 1: (PIP) Final Warning
	2 Occurrences	Step 2: Suspension/Termination

*NOTE: The total number of days an employee is unavailable for work as scheduled and the total number of occurrences are considered when applying discipline. For example, at Step 1 the maximum number of excused days the employee is allowed to be unavailable for work before receiving a Verbal Coaching is 6 or as stated in your local site agreement, whichever is greater, regardless of the number of occurrences.*

### **Absences During the New Hire Orientation Period**

An employee, within his/her 90-day probationary period, who has two (2) occurrences, should receive a Final Written Warning; if the employee has greater than two (2) occurrences within the probationary period, employment may be terminated; should the probationary period be extended, this rule still applies.

### **Attire and Grooming**

It is important for all employees to project a professional image while at work by being appropriately attired. Diverse Facility Solutions employees are expected to be neat, clean and well-groomed while on the job. Clothing and accessories must be consistent with the standards for a business environment and must be appropriate to the type of work being performed.

All employees must be covered from shoulders to knees at all times (no see-through or sleeveless clothing is permitted at any time). Natural and artificial scents may become a distraction from a well-functioning workplace and are also subject to this policy

Diverse Facility Solutions is confident that employees will use their best judgment regarding attire and appearance. Management reserves the right to determine appropriateness. Any employee who is improperly dressed will be counseled or in severe cases may be sent home to change clothes. Continued disregard of this policy may be cause for disciplinary action, which may result in termination.

If you have any questions concerning appropriate dress at work, please consult your supervisor or the Human Resources Department. The company will make reasonable accommodations for individuals who need to wear certain garments or apparel for religious or health reasons.

### **Electronic Communication and Internet Use**

The company expects all employees using the company's resources, including but not limited to internet access, intranet access, e-mail, software, hardware, office equipment, telephone, and intellectual property to follow specific guidelines and to work together to maintain the integrity of these systems and resources.

Employees are required to use these resources in a responsible, legal and ethical manner. In addition, computer or other resources may not be used for an employee's personal gain, political purposes or solicitation of any kind.

The company reserves the right to alter or amend these policies as necessary in its sole discretion.

In order to ensure compliance with these laws, and to protect our systems from damage due to viruses, the following guidelines have been established for using the Internet, company-provided cell phones and e-mail in an appropriate, ethical and professional manner:

- Internet, company-provided equipment (e.g., cell phone, laptops, computers) and services may not be used for transmitting, retrieving or storing any communications of a defamatory, discriminatory, harassing or pornographic nature.
- The following actions are forbidden: using disparaging, abusive, profane or offensive language; and engaging in any illegal activities, including piracy, cracking, extortion, blackmail, copyright infringement, and unauthorized access of any computers and company-provided equipment such as cell phones and laptops.
- Employees may not copy, retrieve, modify or forward copyrighted materials, except with permission or as a single copy to reference only.
- Employees must not use the system in a way that disrupts its use by others. Employees must not send or receive large files that could be saved/transferred via thumb drives. Employees are prohibited from sending or receiving files that are not related to work.
- Employees should not open suspicious e-mails, pop-ups or downloads. Contact Corporate IT with any questions or concerns to reduce the release of viruses or to contain viruses immediately.
- Internal and external e-mails are considered business records and may be subject to discovery in the event of litigation. Be aware of this possibility when sending e-mail within and outside the company.

The above are only examples which can result in disciplinary action ranging from verbal warning to discharge and are not to be construed as limiting or restricting disciplinary action to only the specific cases listed.

### **Right to Monitor**

All company-supplied technology and company-related work records belong to the company and not to the employee. Diverse Facility Solutions routinely monitors use of company-supplied technology. Inappropriate or illegal use or communications may be subject to disciplinary action up to and including termination of employment.

### **Notice of Violations**

Employees who observe or suspect violations of this policy shall notify their immediate supervisor or shall report the violation to the site Human Resources Manager or representative.

### **Discipline**

The company expects its employees to act responsibly and with respect toward the Company and others. Violation of this policy or its general guidelines may constitute misconduct which may result in disciplinary action up to and including termination. Based on the nature of situation, management may choose to escalate the corrective action up to and including termination.

By signing the Receipt of Employee Handbook page, the employee acknowledges that he/she has read this Electronic Communication and Internet Use Policy and agrees to abide by its terms.

*Disclaimer: Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

### **Social Media—Acceptable Use**

Employees must receive permission from their supervisor before posting messages to electronic bulletin boards, list-serves or similar public posting forums on the Internet through the use of the company's computer, electronic and telephone communication equipment, systems and networks. When posted with permission via a company computer, or when posted independent of the company's computer, electronic and telephone communication equipment, systems and networks, such messages must recognize the following standards:

- Maintain the confidentiality of Diverse Facility Solutions' trade secrets and private or confidential information. Trades secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications. Employees, however, are permitted to discuss the terms and conditions of their and their co-workers' employment. If you have any question about whether information has been released publicly or doubts of any kind, speak with your manager before releasing information that could potentially financially harm the company, or current and potential products, services, employees, partners, and customers. Employees should also be aware of and comply with the terms of any non-disclosure/confidentiality agreements applicable to the company and/or the employee.
- Respect financial disclosure laws. It is illegal to communicate or give a "tip" on inside information to others so that they may buy or sell stocks or securities. Such online conduct

may also violate the Insider Trading Policy.

- Do not create a link from your blog, website or other social networking site to Diverse Facility Solutions' website without identifying yourself as Diverse Facility Solutions' associate.
- Without explicit permission in writing from the company, the company's trademarks may not be used for any commercial purposes or in any way that could confuse the public as to whether the communication originated from or is endorsed by the company.
- Employees developing a Web site or writing a blog or entering any text or image onto any social network site that will mention the company and/or the company's current and potential products, services, employees, partners, customers and/or competitors, must identify that the views expressed are yours and do not represent the views of the company.
- Express only your personal opinions. Never represent yourself as a spokesperson for Diverse Facility Solutions. If Diverse Facility Solutions is a subject of the content you are creating, be clear and open about the fact that you are an associate and make it clear that your views do not represent those of Diverse Facility Solutions, fellow associates, members, customers, suppliers or people working on behalf of Diverse Facility Solutions. If you do publish a blog or post online related to the work you do, or subjects associated with Diverse Facility Solutions, make it clear that you are not speaking on behalf of Diverse Facility Solutions. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of Diverse Facility Solutions."
- Understand that employees have the right to voice or post dissatisfaction with the Company or its management or one's supervision. However, the Company encourages everyone to discuss any such dissatisfaction with management at any time in the simple hope to address such concerns directly.

Diverse Facility Solutions may monitor content out on the Internet. Policy violations may result in discipline up to and including termination of employment.

*Disclaimer: Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

### **Solicitations, Distributions and Posting of Materials**

Diverse Facility Solutions prohibits the solicitation, distribution and posting of materials on or at company property by any employee or nonemployee, except as may be permitted by this policy. The sole exceptions to this policy are charitable and community activities supported by Diverse Facility Solutions management and company-sponsored programs related to Diverse Facility Solutions' products and services.

Provisions:

- Nonemployees may not solicit employees or distribute literature of any kind on company premises at any time.
- Employees may only admit nonemployees to work areas with management approval or as part of a company-sponsored program. These visits should not disrupt workflow. An employee must always accompany the nonemployee. Former employees are not permitted onto company property except for official company business.

- Employees may not solicit other employees during work times, except in connection with a company-approved or sponsored event. Work time is defined as "the time employees are actually engaged in work i.e. responsible for performing their assigned duties; it does not include their meal time or break time".
- Employees may not distribute literature of any kind during work times or in any work area at any time, except in connection with a company-sponsored event
- The posting of materials or electronic announcements are permitted with approval from Human Resources.

Violations of this policy should be reported to Human Resources.

*Nothing stated in this policy is intended to interfere with an employee's rights to engage in lawful protected concerted activities, including discussion of the terms and conditions of their employment, under the National Labor Relations Act.*

### **Employee Personnel Files**

Employee files are maintained by the Human Resource department and are considered confidential. Managers and supervisors may only have access to personnel file information on a need-to-know basis.

Employees have the right to inspect or receive copies of records pertaining to their employment. If an employee requests inspection or receipt of copies of records pertaining to their employment, the Company may take reasonable steps to ensure the identity of said employee. If an employee requests copies of said records, the Company may elect to charge the employee with the actual cost of reproduction of said records.

All requests to inspect or receive copies of records pertaining to employment shall be made to Human Resources. The Company will comply with any such request within twenty-one (21) calendar days from the date of its receipt of said request.

### **Company Equipment**

Employees are responsible for the proper use, protection and maintenance of all equipment and other property furnished or made available to them by the company. Unauthorized or abusive use of such property is prohibited.

Certain employees will be issued keys during their employment to enable them to carry out their job duties. These keys remain the property of the company. They may not be duplicated.

All equipment, keys and other property of the company must be returned on the last day of employment, or sooner, if requested.

Violation of this provision may result in disciplinary action up to and including discharge.

# **COMPENSATION**

## **Performance and Salary Review**

Performance appraisals are conducted on an annual cycle. Employees will receive a performance review on the established date each year. The performance appraisal will be discussed, and both the employee and manager will sign the form to ensure that all strengths, areas for improvement and job goals for the next review period have been clearly communicated. Performance evaluation forms will be retained in the employee's personnel file.

Merit increases are based on company performance and financials and are not guaranteed. A performance review does not always result in an automatic salary increase or an increase at all. The employee's overall performance and salary level relative to his/her position responsibilities are evaluated to determine if a salary increase would be warranted.

Salary adjustments are occasionally requested or warranted at times other than the employee's scheduled annual salary reviews. The department manager, HR and the company President must preapprove out-of-cycle salary increases. Human Resources will review all salary increase/adjustment requests to ensure internal equity and compliance with company policies and guidelines.

## **Payment of Wages**

Salary payment is made biweekly for base salary due up to the pay date. If the normal payday falls on a company-recognized holiday, paychecks will be distributed one workday before the aforementioned schedule.

Paydays are usually biweekly on every other Friday.

Overtime payment, which is included with the nonexempt employee's base salary/hourly wage payment, is also paid biweekly with such payment covering hours worked in the prior biweekly period.

It is the company's policy that employee paychecks will only be given personally to that employee or mailed to his/her home address.

Employees may be paid by check or through direct deposit of funds to either a savings or checking account at the financial institution of their choice.

In the event of a lost paycheck, the Human Resource department must be notified in writing as soon as possible and before a replacement check can be issued. In the event the lost paycheck is recovered, and the company identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to the company within 24 hours of the time it is demanded.

If an employee's marital status changes or the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the Human Resource department.

Except for extreme emergencies and PTO pay, no salary advances will be made.

## **Time Reporting**

A work hour is any hour of the day that is worked and should be recorded to the nearest tenth of an hour. The workday is defined as the 24-hour period starting at 12:00 a.m. and ending at 11:59 p.m. The workweek covers seven consecutive days beginning on Monday and ending on Sunday. The usual workweek period is 40 hours.

Employees are expected to work their scheduled work shift. Employees will be compensated for all hours worked. "Hours worked" for purposes of this policy means time actually spent on the job. It does not include hours away from work due to PTO or holiday (even where these days are compensated). Unpaid sick leave, personal leave (or any other time away from work) is also not considered hours worked. Employees are not permitted to work off the clock.

If an employee needs to work hours outside his/her scheduled work period, the time must be approved in writing in advance by the employee's immediate supervisor. If circumstances make pre-approval unattainable, the employee must submit in writing to his/her supervisor documentation within 24 hours of the time worked outside the scheduled work period (1) the reasons why the employee had to work hours outside his/her scheduled work shift and (2) why the employee was unable to get pre-approval for the work hours outside his/her scheduled work period.

Employees arriving early to their worksite, for any reason, **must not** begin any phase of work until her/his scheduled start time unless approved by management. These activities include but are not limited to:

1. Preparing daily supplies
2. Gathering equipment
3. Logging on computers
4. Checking company emails
5. Checking company voicemail
6. Dealing with customer/ company issues of any kind

While we appreciate the willingness to be prepared for the daily assignments, work schedules have been made to allow employees enough time at the beginning of her/his shift to properly prepare for the daily assignments.

To help those arriving early, we have established an early punch rule that must not exceed (7) minutes prior to his/her scheduled start time. If you punch in prior to the (7) minutes allowed, without management approval, you will be subject to disciplinary action, up to and including termination.

Employees will submit their time record weekly as directed by their manager. Each employee is to maintain an accurate daily record of his or her hours worked. All absences from work schedules should be appropriately recorded.

## **Non-Exempt Employee Electronic Communication and Time Recording Policy**

### **Purpose**

The purpose of this policy is to instruct nonexempt employees concerning use of electronic communications devices when not scheduled for work duty.

Employees of DFS may perform job duties using a variety of electronic communications depending on the nature of the work and responsibilities involved. Some of the required communication mediums might include cellphones, computers and handheld computers such as, iPads and other tablet devices."

### **Legal Framework for Nonexempt Employees**

As with other types of authorized work, all time spent by nonexempt employees using electronic communications for work purposes will be considered hours worked; the time is compensable and will count toward overtime eligibility as required by law. Therefore, to avoid incurring unnecessary expenses, electronic communications should not be used outside regularly scheduled work hours unless required by management. This includes all types of work-related communication.

### **Prohibited Use of Electronic Communications Devices**

Nonexempt employees should not check for, read, send or respond to work-related e-mails outside their normal work schedules unless specifically authorized based on job duties or direction by management to do so.

### **Enforcement**

Nonexempt employees using electronic communications for work-related correspondence during unauthorized times may be subject to discipline for violating this policy. Supervisors requiring nonexempt employees to use electronic communications for work-related correspondence at unauthorized times are also subject to discipline up to and including termination.

If you have questions relating to this policy, please contact the Human Resources department.

### **Meal/Rest Periods**

The scheduling of meal periods at Diverse Facility Solutions is set by the employee's immediate manager with the goal of providing the least possible disruption to company operations.

### **Mandatory Meal Period**

Employee meal periods are important to company productivity and employee health. Employees who work more than five (5) consecutive hours will be provided an unpaid and uninterrupted meal break not to exceed 30 minutes within the first five (5) hours after the start of the work period. Only employees who actually work a total of six (6) hours or less that particular day may request permission to waive this meal period. Employees working a shift of more than ten (10) hours in duration will receive an additional thirty (30) minute, unpaid meal break which must be taken no later than the end of the tenth hour of work. Employees who actually work no more than twelve (12) hours that day may choose to waive their second meal period.

The meal period will not be included in the total hours of work per day and is not compensable. Nonexempt employees are to be completely relieved of all job duties while on meal breaks and must clock out for meal periods.

If the employee has access to a time card device, either punch or bio, the employee must use it to punch in and out for the meal period.

If the employee does not have access to a time card device, the corporate policy will apply and the thirty (30) minutes will be deducted automatically. For employees without access to time clocks during their shift, please write the time you took for your meal break on your manual punch card.

## **Rest Breaks**

Salaried employees, as they are paid a biweekly salary regardless of the hours they work, may choose to take breaks as needed.

Nonexempt employees are permitted a fifteen (15) minute rest break for each four (4) hours of work. Nonexempt employees on approved rest breaks are not required to clock in and clock out because this time is considered “time worked” and is compensable. Employees are to be completely relieved of duty during their rest break. Accordingly, nonexempt employees should not be asked or permitted to perform any work during their rest periods. If an employee is required to perform any work duties while on his or her rest break period, the employee will be provided an uninterrupted fifteen (15) minute rest break to replace the break that was interrupted.

## **Impermissible Use of Meal Period and/or Rest Breaks**

Neither the lunch period nor the rest break(s) may be used to account for an employee's late arrival or early departure or to cover time off for other purposes—for example, rest breaks may not be accumulated to extend a meal period, and rest breaks may not be combined to allow one half-hour long break.

## **Responsibilities**

Supervisors are responsible for administering their department’s rest and meal periods in a fair and uniform manner. Supervisors must stagger or otherwise schedule employees’ meal periods so ongoing operational responsibilities are not compromised.

Employees are responsible for keeping their supervisors informed about any changes to their work schedules, including changes involving meal and rest periods. Any employee who takes unauthorized meal or rest periods or who extends authorized meal or rest periods beyond approved limits can be subject to discipline, up to and including termination of employment.

### **Meal and Rest Periods for Nonexempt Employees**

Employees are to be completely relieved from duty during their meal break. Accordingly, nonexempt employees should not be asked or permitted to perform any work during their meal periods. If an employee is required to perform any work duties while on his or her meal break period, the employee must be compensated for the time spent performing work duties. If the employee was working a shift of at least 5 hours when his or her meal period was interrupted, the employee will also be given an uninterrupted meal period. The time spent working during the meal break will be counted toward the total hours worked.

Nonexempt employees must obtain advanced written authorization from their supervisor in order to work through a meal period as such conduct can lead to an employee working unauthorized overtime. Further, working through a meal period may not be in accordance with various applicable state laws. An employee who works through a meal period without advanced written authorization may be subject to disciplinary action, up to and including immediate discharge.

## **Complaint Procedure**

Employees who believe they have been compelled to work through their unpaid meal break or rest break or have any other time recording complaints should immediately report it in writing to the attention of Human Resources. Upon receipt of the report, the Human Resources Department will conduct a prompt investigation of the complaint. The employee will be asked to specify in writing, using the guidance above, the circumstances of the complaint. If, upon investigation, it is determined that the employee is owed for uncompensated work time, the affected employee will be appropriately

reimbursed, and the Company will make a good-faith commitment to avoid any recurrence of the error.

### **Overtime Pay (nonexempt employees)**

Employees may occasionally be asked to work beyond their normally scheduled hours, or on their day off, at the sole discretion of the company. Nonexempt employees who are required (or permitted) to work overtime will receive overtime pay in accordance with the requirements of the Fair Labor Standards Act and applicable state laws as follows:

- Non-exempt employees shall be paid one and one-half times (1½x) their regular rate for: (1) each hour worked in excess of eight (8) in a single workday, (2) each hour worked in excess of forty (40) in a single workweek, and (3) the first eight (8) hours worked on the seventh (7<sup>th</sup>) day of work in a particular workweek.
- Non-exempt employees shall be paid two (2x) times their regular rate for: (1) each hour worked over twelve (12) in a single day and (2) each hour worked over eight (8) on the seventh (7<sup>th</sup>) consecutive day of work in any given workweek.

“Hours worked” for purposes of this policy means time actually spent on the job. It does not include hours away from work due to PTO or holiday (even where these days are compensated). Unpaid sick leave, personal leave (or any other time away from work) is also not considered hours worked. Employees are not permitted to work off the clock.

The workweek begins at 12:00 a.m. on Monday morning and ends at 11:59 p.m. on Sunday night.

Supervisors are required to obtain approval from managers prior to the use of overtime.

Employees who anticipate the need for overtime to complete the week’s work must notify the supervisor in advance and obtain approval before working hours that extend beyond their normal schedule.

During busy periods employees may be required to work extended hours.

### **Employee Travel and Reimbursement**

In certain circumstances, employees may be requested or permitted to incur business expenses on the Company’s behalf. The Company will reimburse necessary and reasonable expenses within the scope of employment that are directly related to the Company’s business and which have been preapproved by an employee’s manager. The Company is not responsible for and will not reimburse expenses which have not been preauthorized or required by the Company, or for losses due to an employee’s own negligence, normal wear, or theft (unless the theft was due to the Company’s negligence).

#### General Requirements

Expenses and supporting receipts must be submitted by the 10<sup>th</sup> of the month following the month in which the expense was incurred.

All allowable expense items (transportation, meals, lodging, entertainment, etc.) paid for by an employee, or paid for in advance by the Company are to be included in the employee’s expense report and supported by detailed receipts.

In submitting Expense Reports, the employee must record the specific purpose, locations, and amounts of both cash and credit expenses, segregating and itemizing daily, according to the categories shown on the Expense Report. Receipts must be attached for all expenses for which reimbursement is sought. Failure to attach proper receipts may delay reimbursement for all applicable expenses.

In addition, the following standards are to be used as a guide to determine what is considered allowable as normal business expenditures.

#### Preapproval of Expenses

Travel plans require approval of the employee's immediate supervisor; travel expenses are to be preapproved by the employee's manager. A recap of the appointments and call details must be attached to the Expense Report (the report should recap the various sales calls or meetings the employee had each day). When travel is completed, employees should submit completed travel expense reports within 14 days or by the end of the month, whichever comes first.

Employees will be reimbursed for reasonable expenses incurred in connection with approved travel on behalf of the company.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid the appearance of impropriety. If a circumstance arises that is not specifically covered in the travel policies, the most conservative course of action should be adopted.

Typically, alcohol is not a business expense, and therefore is not reimbursable absent preapproval by the employee's manager.

Travel for staff must be authorized in advance. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the trip, and within 30 days, the traveler must submit a Travel Reimbursement Form and supporting documentation to obtain reimbursement of expenses. For more details, refer to the company intranet for detailed travel policies, procedures and authorization and reimbursement forms.

Exempt employees will be paid their regular salary for weeks in which they travel. Nonexempt employees will be paid for travel time in accordance with federal and state wage payment laws.

Gifts must be preapproved by the employee's supervisor.

#### Use of Personal Telephone for Business Purposes

Employees required to use their personal telephone for Company business (e.g., drivers in the field are contacted by the Company; or business-related phone calls and text messages), will be reimbursed for reasonable and necessary minutes/data. The Company will assess reimbursements on a case by case basis to account for such minimal necessary business use.

For business and recordkeeping purposes, Employees who believe that assessed reimbursement is insufficient to cover their costs will be required to provide sufficient records to support an increased reimbursement. The Company may also choose to increase the reimbursement or issue a company telephone.

#### Complaint Procedure

The Company takes steps to ensure that employees are paid correctly, including appropriate business expense reimbursements. Nonetheless, employees need to review their paycheck, paystub, or pay statement as soon as they receive it.

If an employee believes there is an error in their reimbursement, the employee must notify their manager or Human Resources immediately. For recordkeeping purposes, the employee will be asked to specify in writing the circumstances of the complaint and whether it has occurred on other occasions.

The Company will review applicable expense records and interview the supervisor or manager, as well as the payroll representatives handling the employee's pay or expenses, to determine if the allegation is correct. If, upon investigation, it is determined that the employee's allegations are true, the company will reimburse the employee as promptly as possible.

The resolution of the situation will be documented (including confirmation on the part of the employee that the situation has been resolved) and placed with the employee's pay records.

Following the identification of such a problem, the Company will establish a practice to regularly audit employee pay records to ensure no further issues arise.

### **Employee Wage Complaint Procedure**

Employees who believe they have been compelled to perform work without being properly compensated should contact the Human Resources Department or their immediate supervisor immediately to request an investigation. The employee will be asked to specify in writing the circumstances of the pay discrepancy and whether it has occurred on other occasions. If, upon investigation, it is determined that the employee is owed for uncompensated work time, the affected employee will be appropriately reimbursed, and the company will make a good-faith commitment to avoid any recurrence of the error.

## **BENEFITS and TIME OFF**

The information provided in these materials is intended to be a summary of the benefit program and has been provided to you to assist you in understanding the overall aspects of the program. Employees must refer to the appropriate plan documents for eligibility procedures and plan provisions concerning benefit programs. Naturally, it is the legal documents that must be followed in the administration of these plans, and these plan documents will govern in the event any discrepancy exists. The company reserves the right to amend, modify or terminate the plans at any time.

Your Human Resources Department offers a benefits orientation meeting for all new hires. This orientation meeting will explain the benefits program in more detail. If you are unable to attend your benefits orientation at the scheduled time, contact your Human Resources representative.

Additionally, please see the supplemental handbook applicable to your state of employment for additional information regarding benefits, time off and leaves of absences.

## **Holiday Pay**

Diverse Facility Solutions recognizes six (6) paid holidays each year for those that work the actual day of the holiday. Employees must work the last scheduled day before a holiday and the first scheduled working day following the holiday to be eligible for holiday pay. If your facility is closed on the holiday you are scheduled to work, you will receive your regular hours of pay at straight time. If you are scheduled off and do not work the holiday, you will not receive holiday pay.

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Time off may be granted to employees who desire to observe a religious holiday that is not recognized by the company. Please contact the Human Resources department to request time off for this purpose.

## **Paid Time Off (PTO)**

DFS provides PTO to employees working in California in accordance with the Healthy Workplaces, Healthy Family Act of 2014 and all other applicable laws, including local ordinances. The following policy applies to all employees **not covered by a collective bargaining agreement or site agreement**.

PTO is accrued in hourly increments. PTO accrual begins on the first day of full- or part-time employment. PTO is accrued according to the schedule in this policy. Exempt employees shall be considered to have worked 40 hours each workweek, unless an exempt employee's regularly-scheduled workweek is less than 40 hours. In such a case, the exempt employee shall be considered to have worked his or her regularly-scheduled number of hours each week for PTO accrual purposes.

PTO can be used only after it is earned for needs as vacation, school, volunteerism, employee's own or a family member's illness, treatment, or care, including preventative care, medical or dental appointments, or to cover leave necessitated by domestic violence, sexual assault or stalking as outlined in the Domestic Violence Crime Victim Leave (CA) policy set forth below.

"Family member" for purposes of this policy includes spouses, registered domestic partners, children (regardless of age), parents (including step-parents and parents-in-law), grandparents, siblings, and those related by blood or affinity whose close association with the employee is the equivalent of a family relationship. and other activities of the employee's choice. PTO will not be earned during an unpaid leave of absence.

## **Accrual**

### **Employees who work in CA but not in Los Angeles**

<b>Years of Service</b>	<b>PTO Earned Per Year</b>	<b>Maximum PTO Accrual Cap</b>
<b>1st year</b>	24 hours earned at the rate of 1 PTO hour for every 30 hours of work	36 hours
<b>2nd year thru 4th year</b>	64 hours earned at the rate of 1 PTO hour for every 30 hours of work	96 hours
<b>5th year thru 7th year</b>	120 hours earned at the rate of 2 PTO hours for every 30 hours of work	180 hours
<b>8 years and above</b>	144 hours earned at the rate of 2 PTO hours for every 30 hours of work	216 hours

### **Employees who work within the City of Los Angeles Boundaries**

<b>Years of Service</b>	<b>PTO Earned Per Year</b>	<b>Maximum PTO Accrual Cap</b>
<b>1st year</b>	48 hours earned at the rate of 1 PTO hour for every 30 hours of work	72 hours
<b>2nd year thru 4th year</b>	72 hours earned at the rate of 1 PTO hour for every 30 hours of work	108 hours
<b>5th year thru 7th year</b>	96 hours earned at the rate of 2 PTO hours for every 30 hours of work	180 hours
<b>8 years and above</b>	144 hours earned at the rate of 2 PTO hours for every 30 hours of work	216 hours

### **Maximum Accrual and Rollover**

Employees are encouraged to use all accrued PTO benefits each year, but any accrued and unused PTO time will carry forward, subject to a “cap” on the maximum number of days that an employee may accrue. As shown in the table above, PTO accruals may not exceed one and one-half times an employee’s current annual entitlement. Once this maximum is reached, all further accrual of paid PTO benefits will cease. If the employee later uses enough PTO time to fall below the maximum, he or she will resume accruing PTO pay from that date forward. However, no benefits will be earned for the period in which the employee’s accrued PTO benefit was at the applicable maximum.

### **PTO Scheduling and Approval**

If employees’ need for leave is reasonably foreseeable or if employees would like to pre-schedule PTO, employees should submit a completed leave form to the supervisor at least two (2) weeks before the requested leave. Otherwise, employees must provide notice of the need for PTO as soon as practicable using the company’s regular procedure for reporting absences. Employees must ensure that they have enough accrued leave available to cover the dates requested. Requests will be approved based on a number of factors, including department operating and staffing requirements. The supervisor should return the leave request to the employee within three business days of the date it is submitted indicating that the request has been approved or denied. If the request for PTO is denied, the supervisor should provide an appropriate reason on the form returned to the employee.

An employee who uses PTO will not be required to find his or her own replacement for time spent on PTO.

PTO will be paid at the employee's base rate at the time the leave is taken. PTO will be paid/taken to the maximum standard of normal scheduled hours per day for each instance of PTO taken. PTO pay is not included in overtime calculation and does not include any special forms of compensation such as incentives, commissions, bonuses or shift differentials. If a holiday falls during the employee's PTO, and the employee was scheduled to work that day, the day will be charged to holiday pay rather than to PTO pay.

Leave taken beyond an employee's available PTO balance may be unpaid unless otherwise required under state or federal law.

When an employee is absent for more than three (3) consecutive workdays and the leave was not scheduled, the employee shall provide documentation signed by a health care provider (e.g., a doctor, nurse, or emergency room personnel). However, if PTO is taken in relation to domestic or sexual violence, then the company will accept certification of the need for PTO in the form of a police report, court document, a signed statement from an attorney, a member of the clergy, or a victim services advocate, or any other evidence that supports the employee's need for leave, including a written statement from the employee or anyone else with knowledge of the circumstances at issue.

If employment is terminated, accrued unused PTO earned through the last day of active employment will be paid at the employee's base rate of pay at termination. In the event of the employee's death, earned unused PTO hours will be paid to the employee's estate or designated beneficiary.

Depending on the particular circumstances, leave under this policy may run concurrently with leave taken under other applicable policies as well as under local, state or federal law, including leave taken pursuant to the California Family Rights Act (CFRA) or the Family and Medical Leave Act (FMLA).

Employees with any questions regarding their eligibility for and use of PTO should feel free to contact Human Resources.

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

Upon hire, Diverse Facility Solutions provides all new employees with notices required by the U.S. Department of Labor (DOL) on Employee Rights and Responsibilities under the Family and Medical Act.

If you have any questions, concerns or disputes with this policy, you must contact the Human Resources Department.

### **General Provisions**

Under this policy, Diverse Facility Solutions will grant up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12-month period to eligible employees. The leave may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and as specified in this policy.

### **Eligibility**

To qualify to take family or medical leave under this policy, the employee must meet the following conditions:

- The employee must have worked for the company for 12 months or 52 weeks. The 12 months or 52 weeks need not have been consecutive. Separate periods of employment will be counted, provided that the break in service does not exceed seven (7) years. Separate periods of employment will be counted if the break in service exceeds seven years due to National Guard or Reserve military service obligations or when there is a written agreement, including a collective bargaining agreement, stating the employer's intention to rehire the employee after the service break. For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee is on leave during the week.
- The employee must have worked at least 1,250 hours during the 12-month period immediately before the date when the leave is requested to commence. The principles established under the Fair Labor Standards Act (FLSA) determine the number of hours worked by an employee. The FLSA does not include time spent on paid or unpaid leave as hours worked. Consequently, these hours of leave should not be counted in determining the 1,250 hours eligibility test for an employee under FMLA.
- The employee must work in a work site where 50 or more employees are employed by the company within 75 miles of that office or work site. The distance is to be calculated by using available transportation by the most direct route.

**Qualifying Reasons That Would Entitle an Employee to FMLA Leave:**

The FMLA requires that the Company provide up to 12 weeks of unpaid, job protected leave to eligible employees for the following reasons:

- For an 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 (see *Serious Health Condition* Defined below);
- For a serious health condition that makes the employee unable to perform the employee's job (see *Serious Health Condition* Defined below); or
- For any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on active duty in support of a contingency operation (see *Military Family Leave Entitlements* below).

The FMLA also requires that the Company provide up to 26 weeks of unpaid, job protected leave to eligible employees for them to -

- Provide care for a covered service member with a serious injury or illness if the employee is the spouse, son, daughter, parent, or next of kin of the service member (see *Military Family Leave Entitlements* below)

If spouses, as defined by applicable state law, both work for the Company and each wish to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent in-law) with a serious health condition, the spouses may only take a combined total of 12 weeks of leave. If the spouses both work for the Company and each wish to take leave to care for a covered injured or ill service member, the spouses may only take a combined total of 26 weeks of leave.

**Military Family Leave Entitlements:**

Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the National Guard or Reserves, or family members of active duty servicemember, in support of a contingency operation 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.

The FMLA also allows eligible employees to take up to 26 weeks of leave in a 12-month period to care for a spouse, son, daughter, parent or next-of-kin who is a covered servicemember or covered veteran (next-of-kin is defined as the closest blood relative of the covered servicemember). A covered servicemember is defined as a current member of the Armed Forces (including the National Guard or Reserves) who is undergoing medical treatment, recuperation or therapy for an injury or illness incurred in the line of active military duty or that existed before the beginning of active duty and was aggravated by service in the line of duty, that may render the servicemember medically unfit to perform the duties of his or her office, grade, rank or rating. Covered servicemember also includes any individual on the temporary disability retired list.

A covered veteran is an individual who was a member of the Armed Forces and was discharged or released under conditions other than dishonorable during the five-year period prior to the first date an eligible employee takes leave (October 28, 2009 through March 8, 2013 shall not count towards the five-year look-back period). In the case of a covered veteran, a serious injury or illness means an injury or illness that was incurred by the veteran in the line of duty while on active duty (or existed before the beginning of active duty but was aggravated in the line of duty) and that is (1) a continuation of a serious injury or illness incurred or aggravated when the veteran was an active member of the armed forces that rendered the servicemember unable to perform the duties of the servicemember's office, grade, rank or rating; (2) a physical or mental condition for which the covered veteran has received a "VASRD disability rating" of 50 percent or greater and the rating is based, at least in part, on the condition precipitating the need for leave; (3) a physical or mental condition that substantially impairs (or without treatment would impair) the veteran's ability to secure a gainful occupation by reason of disability related to military service; or (4) an injury, including a psychological injury for which the veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Employees requesting this type of FMLA leave must provide certification of the family member or next-of-kin's injury, recovery or need for care. This certification is not tied to a serious health condition as for other types of FMLA leave. This is the only type of FMLA leave that may extend an employee's leave entitlement beyond 12 weeks to 26 weeks. Other types of FMLA leave are included in totaling the 26 weeks.

**Serious Health Condition Defined:**

A serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves either –

- Inpatient care at a medical care facility;
- “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 the 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 3 consecutive calendar days and any subsequent treatment or period of incapacity relating to the same condition that also involves -

- Treatment during at least two visits to a health care provider within 30 days of the first day of incapacity;
- One visit and a regimen of continuing treatment;
- Incapacity due to pregnancy; or
- Incapacity due to a chronic condition.

An incapacity exists when the employee or covered family member is unable to work, attend school or perform other regular daily activities due to the serious health condition, treatment of the serious health condition, or recovery from the serious health condition.

Other conditions may meet the definition of continuing treatment. In order to qualify as treatment by a health care provider, the first (or only) in-person treatment visit must take place within seven (7) days of the first day of the employee’s incapacity. If it does not, your request for FMLA may be denied absent extenuating circumstances.

**Amount of Leave**

An eligible employee may take up to 12 weeks for the first five FMLA circumstances above (under heading “Type of Leave Covered”) under this policy during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12 weeks of available leave, and the balance remaining is the amount of time the employee is entitled to take at that time.

An eligible employee can take up to 26 weeks for the FMLA military caregiver leave circumstance above during a single 12-month period. For this military caregiver leave, the company will measure the 12-month period as a rolling 12-month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

If spouses both work for the company and each wish to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the spouses may only take a combined total of 12 weeks of leave. If spouses both work for the company and each wish to take leave to care for a covered injured or ill service member, the spouses may only take a combined total of 26 weeks of leave.

## Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide the HR manager with verbal or written notice of the need for the leave. Within five (5) business days after the employee has provided this notice, the HR manager will provide the employee with the DOL Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave.

Employees must provide sufficient information for the employer 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 employer 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 (see Employee's Certification Responsibilities below).

### **Employee's Certification Responsibilities:**

The Company requires that an employee provide it with certification from a health care provider or from the military (as appropriate) for any leave taken for any of the following reasons:

- the employee's own serious health condition;
- to care for a covered family member with a serious health condition;
- for an employee's request for leave because of a qualifying exigency; or
- to care for a covered service member with a serious injury or illness.

After it is requested, it is the employee's responsibility to return the certification within 15 calendar days to Human Resources. Failure to return this certification to Human Resources may result in the denial of your request for leave.

Moreover, for employees who have their own serious health condition or are caring for the serious health condition of a family member, the Company may require that the health care provider recertify the status of the serious health condition. As with the initial certification, a recertification must be returned to Human Resources within 15 calendar days. Failure to return the recertification to Human Resources may result in the denial of your request for leave.

### **Certification of the Serious Health Condition of the Employee or the Spouse, Child or Parent of the Employee:**

Certification of the serious health condition shall include the date when the condition began, its expected duration and a brief statement of treatment. For medical leave for the employee's own medical condition, the certification must also include a statement that the employee is unable to perform work of any kind or a statement that the employee is unable to perform the essential functions of the employee's position. For a family member who is seriously ill, the certification must include a statement that the patient, the family member, requires assistance and that the employee's presence would be beneficial or desirable.

If the employee plans to take intermittent leave or work a reduced schedule, the certification must also include dates and the duration of treatment as well as a statement of medical necessity for taking intermittent leave or working a reduced schedule.

The Company has the right to ask for a second opinion if it has reason to doubt the certification. The Company will pay for the employee to get a certification from a second doctor, which the Company will select. If necessary to resolve a conflict between the original certification and the second opinion, the Company will require the opinion of a third doctor. The Company and the employee will mutually select the third doctor, and the Company will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

**Documentation of the Covered Family Member's Call to Active Duty in the Armed Forces:**

Employees requesting this type of FMLA leave must provide proof of the qualifying family member's call-up or active military service. This documentation may be a copy of the military orders or other official Armed Forces communication.

**Documentation of the Need for Servicemember FMLA Leave to Care for an Injured or Ill Servicemember:**

Employees requesting this type of Servicemember FMLA leave must provide documentation of the family member's or next-of-kin's injury, recovery or need for care. This documentation may be a copy of the military medical information, orders for treatment, or other official Armed Forces communication pertaining to the servicemember's injury or illness incurred on active military duty.

**Employee Status and Benefits During Leave**

While an employee is on leave, the company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

Under current company policy, the employee pays a portion of the health care premium. While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee must continue to make this payment, either in person or by mail. The payment must be received in the Payroll Department by the 30th day of each month. If the payment is more than 30 days late, the employee's health care coverage may be dropped for the duration of the leave. The employer will provide 15 days' notification prior to the employee's loss of coverage.

If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member or a circumstance beyond the employee's control, the company will require the employee to reimburse the company the amount it paid for the employee's health insurance premium during the leave period.

PTO continues to accrue for all regular, full-time employees on the DFS payroll while on an approved FMLA even if the FMLA leave taken by the employee is unpaid.

**Employee Status After Leave**

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from the health care provider.

**Use of Paid and Unpaid Leave**

Employees are required to use all accrued and unused PTO hours prior to taking FMLA leave as unpaid leave.

Disability leave for the birth of a child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA.

### **Intermittent Leave or a Reduced Work Schedule**

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

The Company may temporarily transfer an employee to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule, in instances of when leave for the employee or employee's family member is foreseeable and for planned medical treatment, including recovery from a serious health condition or to care for a child after birth, or placement for adoption or foster care.

For the birth, adoption or foster care of a child, the Company and the employee must mutually agree to the schedule before the employee may take the leave intermittently or work a reduced hour schedule. Leave for birth, adoption or foster care of a child must be taken within one year of the birth or placement of the child.

### **Recertification**

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

### **Designation of FMLA Leave**

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

The Company must inform employees requesting leave whether they are eligible under the FMLA once the employee has sufficiently notified the Company that he or she has a qualifying reason for FMLA. The form will be mailed, or hand delivered to the employee notifying him or her of their eligibility, responsibilities and rights, as well as additional information regarding the leave. If the employee is not eligible, the Company will provide the employee with the reason(s) for his or her ineligibility.

The Company must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. The Company has designed a form for this purpose, too, which will be mailed, or hand delivered to the employee. If the Company determines that the leave is not FMLA protected, the Company will notify the employee accordingly.

### **Intent to Return to Work from FMLA Leave**

While an employee is on FMLA leave it is important that he or she notify the appropriate person at the Company of any changes in his or her circumstances that could impact employee's return to work. It is the employee's responsibility to notify the Company within two (2) days of any changes to his or her circumstances where notification is foreseeable. It is also the employee's responsibility to notify the Company of his or her intent not to return to work following the expiration of the period of leave. Failure to appropriately notify the Company and timely return to work may be deemed a no call no show and result in the employee's voluntary resignation from employment.

### **California Family Rights Act (CFRA)**

#### Overview:

Under the California Family Rights Act of 1993 (CFRA), an employee who has more than 12 months of service with the Company and who has worked at least 1,250 hours in the immediately preceding 12-month period is eligible to take up to 12 workweeks of unpaid leave in any 12-month period for certain qualifying reasons.

Qualifying reasons include the birth of a child or adoption or foster care placement of a child, employee's own serious health condition (for serious health conditions relating to pregnancy see Pregnancy Disability Leave Policy below), or to care for an immediately family member (as defined below) who has a serious health condition.

Eligible employees may take qualifying leave under the CFRA in a single block of time or intermittently depending upon their particular situation and needs.

For purposes of this policy, "immediate family member" includes:

- Child: A "child" is defined as a son or daughter (including a biological, adopted or foster child, a step child, a legal ward or a child of a person standing *in loco parentis* as defined below) who is under 18 or age 18 or older if incapable of self-care because of a mental or physical disability that substantially limits one or more major life activities.
- Parent: A "parent" means a biological parent or an individual who stands or stood *in loco parentis* (as defined below) to an employee when the employee was a child. A biological or legal relationship is not necessary. However, "parent does not include an in-law.
- Registered Domestic Partner: A "registered domestic partner" is a member of a same-sex couple or a person of an opposite-sex couple if one or both of the opposite sex couple is over the age of 62 and other eligibility criteria established by California Family Code Section 297 are satisfied. In any case, there must be a Declaration of Domestic Partnership on file with the California Secretary of State.
- Spouse: A "spouse" refers to a legally married spouse as defined by state law. It does not include a registered domestic partner.

*In Loco Parentis:* A person has or has had day-to-day responsibility to care for and financially support a child stands *in loco parentis* to that child.

#### Coordination of Leave:

FMLA/CFRA – FMLA and CFRA run concurrently except for pregnancy disability leaves and leaves for the registered domestic partners. If the employee acts in *loco parentis* for a child of the employee's registered domestic partner, FMLA and CFRA can run concurrently for a leave to care for the child of the registered domestic partner.

### Registered Domestic Partnership Leave:

Under the CFRA, an eligible employee may take leave to care for a registered domestic partner or child of a registered domestic partner.

### Bonding with a New Child:

Under the CFRA, an eligible employee may take leave for the purpose of “bonding” with a baby for a total of up to 12 weeks unpaid leave. Child bonding leave can be taken to bond with any child who new joins a family whether by birth, adoption, or foster care but must be taken during within the first year that the child joins the family. For purposes of adoption or foster care, the child has to be a minor, but need not be under one year of age. CFRA leave to bond with a new child may be taken intermittently, but ordinarily may not be taken in increments of less than two weeks, except of two individual occasions.

### Employee Notification Responsibilities:

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

Employees must provide sufficient information for the employer to determine if the leave may qualify for CFRA protection and the anticipated timing and duration of the leave. Sufficient information will depend on the particular circumstances but may include, for example, that the employee is unable to perform job functions; the family member is unable to perform daily activities or the need for hospitalization or continuing treatment by a health care provider. In the case of childbirth or adoption, sufficient information may include a child’s birth certificate, a court document, a Declaration of Domestic Partnership, a marriage certificate, etc. The employee also must inform the employer if the requested leave is for a reason for which CFRA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave (see Employee’s Certification Responsibilities below).

### Request for Leave:

The Company requires that an employee provide it with certification from a health care provider for leave taken pursuant to the CRFA.

After it is requested, it is the employee’s responsibility to return the certification within 15 calendar days to Human Resources. Failure to return this certification to Human Resources may result in the denial of your request for leave.

Moreover, for employees who have their own serious health condition or are caring for the serious health condition of a family member, the Company may require that the health care provider recertify the status of the serious health condition. As with the initial certification, a recertification must be returned to Human Resources within 15 calendar days. Failure to return the recertification to Human Resources may result in the denial of your request for leave.

### Benefits and Protections:

An employee on CFRA leave is entitled to continue to participate in employee benefits on the same basis as active employees. The Company will continue the same level of coverage not only for the employee, but also for covered dependents.

To the extent that an employee exhausts his/her CFRA leave entitlement to care for a registered domestic partner and has not used all of the FMLA entitlement, the Company will provide health benefits for the duration of any remaining unpaid FMLA leave. Employees are responsible for paying their portion of the health care premiums, which includes medical, dental and flexible spending.

In certain circumstances, such as if the employee chooses not to return to work at the end of the CFRA leave for reasons other than a continued serious health condition or circumstances beyond the employee's control, the Company will require the employee to reimburse the Company the amount it paid for the employee's health insurance premium during the period of leave.

#### Use of Accrued Leave:

An employee is required to use all available paid time off prior to the authorization of unpaid leave to care for the employee's child, spouse or parent who has a serious health condition under CFRA. This rule applies also to CFRA leaves relating to registered domestic partners and their children.

#### **Pregnancy Disability Leave (PDL) (California)**

An eligible employee may take up to four (4) months of unpaid Pregnancy Disability Leave (PDL) per pregnancy for childbirth or pregnancy-related medical conditions. PDL protects employees temporarily disabled due to pregnancy, childbirth or a related medical condition including, the following related medical conditions: severe morning sickness, pregnancy-related complication, prenatal or postnatal care, bed rest, gestational diabetes, pregnancy-induced hypertension, preeclampsia, post-partum depression, periods of disability following childbirth, loss or end of pregnancy, or other disability relating to pregnancy, childbirth or related medical conditions, which in the employee's health care provider's opinion, renders the employee unable to perform an essential job function without undue risk to the employee, the employee's pregnancy or to other persons.

PDL runs concurrently with FMLA but is separate and distinct from any leave the employee may take under the California Family Rights Act (CFRA).

Under the PDL, an employee may be entitled to a reasonable accommodation, transfer or temporary disability leave because of a pregnancy-related medical condition.

#### Calculation of leave:

Employees are eligible for up to four months of pregnancy disability leave per pregnancy. Four months is defined as the number of days that an employee would normally work within four calendar months. Four calendar months is defined as 17 $\frac{1}{3}$  weeks.

For a full-time employee regularly scheduled to work 40 hours per week, four months means 693 hours of leave entitlement. The number of hours of leave available to employees who work more or less than five days a week, or who work variable work schedules, is calculated on a pro rata or proportional basis. For example, an employee who works 20 hours per week would be entitled to 346.5 hours of leave while an employee who normally works 48 hours per week would be entitled to 832 hours of leave.

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule as determined by the employee's health care provider.

### Employee Notification Responsibilities:

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

Employees must provide sufficient information for the employer to determine if the leave may qualify for PDL protection and the anticipated timing and duration of the leave. In providing this notice, the employee should advise when and how long she plans to take leave. A statement from a healthcare provider should be provided containing the following information:

- (1) A statement that the employee has a disability due to pregnancy, childbirth or a related medical condition and because of the disability she cannot perform an essential function of her position without undue risk to herself, the successful completion of her pregnancy, or to others;
- (2) The date on which the employee became/will become disabled; and
- (3) The probable duration of the disability, and whether the employee needs to take intermittent leave.

Sufficient information will depend on the particular circumstances but may include, for example, that the employee is unable to perform job functions, the need for hospitalization or continuing treatment by a health care provider, the need for an accommodation, the need for a reduced work schedule and/or the need for a transfer to a less strenuous or hazardous position. Employees also may be required to provide a certification and periodic recertification supporting the need for leave as is detailed below.

### Employee's Certification Responsibilities:

The Company requires that an employee provide it with certification from a health care provider for any leave taken pursuant to PDL. Employees should contact the Human Resources Department to request leave and to obtain a copy of the certification form to be completed by the employee's health care provider. After it is requested, it is the employee's responsibility to return the certification to the Human Resources Department before the PDL leave begins. Failure to return this certification to Human Resources may result in the denial of your request for leave.

Moreover, on the expiration of the leave period originally estimated by the health care provider, the Company may require that the health care provider recertify any need for additional leave. As with the initial certification, a recertification must be returned to Human Resources within 15 calendar days. Failure to return the recertification to Human Resources may result in the denial of your request for leave.

### Employee's Intent to Return to Work Responsibilities:

While an employee is on PDL leave it is important that the employee promptly notify the appropriate person at the Company of any changes in the employee's circumstances that could impact the employee's return to work. It is the employee's responsibility to notify the Company within two (2) days of any changes to their circumstances where notification is foreseeable. Employees must also notify the Company of their intent not to return to work following the expiration of the period of leave.

### Benefits and Protections:

While an employee is on leave, the Company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

Under current Company policy, the employee pays a portion of the health care premium. While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee must continue to make this payment, either in person, by mail or by other appropriate means. The payment must be received in the Payroll Department by the 30th day of each month.

If the employee chooses not to return to work at the end of the PDL leave for reasons other than a continued serious health condition of the employee or a circumstance beyond the employee's control, the Company will require the employee to reimburse the Company the amount it paid for the employee's health insurance premium during the leave period.

After the completion of PDL, the Company will return the employee to the same or similar position she enjoyed prior to leave, unless it is not possible for business reasons unrelated to the employee's pregnancy or leave.

### Use of Accrued Leave:

The time off under PDL is unpaid leave, however, an employee may elect at her option, to use any PTO for which the employee is eligible during the time in which she is off for PDL.

### **Unpaid Personal Leave of Absence**

Any regular employee who was worked for the company for at least ninety (90) days and who requires time off in a situation that is not covered by another leave policy as set forth herein, may request an unpaid personal leave of absence to last up to thirty (30) days. Unpaid personal leaves of absence may be granted at the sole discretion of the company for justifiable reasons, provided the leave does not seriously disrupt the company's operations. The company reserves the right to extend personal leaves of absence, in its sole discretion and depending upon the particular circumstances. Job performance, absenteeism and departmental requirements will all be taken into consideration when evaluating requests for personal leave of absence.

Please contact Human Resources for more information on request procedures.

The employee must return to work on the scheduled return date or be considered to have voluntarily resigned from his or her employment. Extensions of leave will only be considered on a case-by-case basis.

The employee will not be paid for holidays during a leave of absence.

Reinstatement will not be guaranteed to employees returning from personal leave. However, the Company endeavors to place employees returning from personal leave in their former position (or in a comparable position) subject to budgetary restrictions, the Company's needs to fill vacancies, and other factors within the sole discretion of the Company. This does not affect the employee's employment at will status.

## **Bereavement Leave**

An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately.

Bereavement leave will be granted unless there are unusual business needs or staffing requirements.

Paid bereavement leave is granted to regular employees who passed their 90-day probationary period according to the following schedule:

- Employees are allowed three (3) days of paid leave in the event of the death of the employee's spouse, child, father, father-in-law, mother, mother-in-law, brother, sister, stepfather, stepmother, stepbrother, stepsister, stepson or stepdaughter, grandparent, grandchild, domestic partner.
- Employees are allowed two (2) days of paid leave in the event of death of the employee's brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, uncle, and spouse's grandparent.
- Employees are allowed up to four (4) hours of bereavement leave to attend the funeral of an employee or retiree of the company.

## **Jury Duty**

The company recognizes that jury service is an important civic obligation. To eliminate hardship associated with the fulfillment of that obligation, the company will provide a limited salary/pay continuation for employees called to serve. Upon receipt of notification from the state or federal courts of an obligation to serve on a jury, employees must notify their supervisor and provide him/her with a copy of the jury summons.

### Non-Exempt Employees

The company will pay regular full-time and regular part-time non-exempt employees for time off for jury duty up to one (1) week (5 days) of pay. Employees must complete their 90-day probationary period before jury duty pay applies.

For any absences in excess of the 5 paid working days per year, nonexempt employees may use accrued PTO during this period or take the time off without pay. Nonexempt Employees must inform their supervisor of any breaks in jury service so that they may be scheduled to work on those days. Nonexempt Employees are required to work scheduled weekends while on jury service, assuming that their service is not extended to the weekend. Supervisors are required to notify employees of scheduled work on weekends.

Additionally, the following apply to the application of jury duty pay:

- Jury Duty Pay will not exceed the number of regular hours the employee is scheduled to work during jury service.
- Jury Duty Pay will not be paid for days the employee is not scheduled to work.
- Jury Duty Pay will not be paid for days the employee is on an approved leave of absence.
- Jury Duty Pay will not be paid for company holidays.
- Jury Duty Pay will not be paid for days the company is shut down.
- Jury Duty Pay does not count toward the calculation of overtime.

### Exempt Employees

Exempt employees will be paid their normal salaries for up to 5 working days per year for absences for jury. Employees must complete their 90-day probationary period before jury duty pay applies. For any absences in excess of the 5 paid working days per year, exempt employees may use accrued PTO during this period or take the time off without pay.

Exempt staff members will be paid their normal salaries during any workweek in which they appear as a juror and also perform services for the company, regardless of the amount of time spent performing those services. If an exempt staff member performs no work during any workweek in which he/she serves on a jury after the 5 paid working days, then the full weekly salary need not be paid.

### Benefits

Benefits coverage will continue during the period of jury duty service. However, it is the employee's responsibility to maintain their portion of insurance premiums for continued coverage. Failure to make timely premium contributions may result in loss of benefits.

### Return to Work

Upon completion of jury duty, the employee is required to return to work for their next schedule shift. The company will return the employee to the same position held when service began, or to an equivalent position in terms of pay, benefits and terms and conditions of employment. Employees are not required to submit jury service pay received from the court to the company.

### **Witness Leave**

Employees who receive a subpoena to appear at a judicial proceeding unrelated to their work for DFS may take leave in order to comply with that subpoena. Employees shall give the company reasonable advance notice of their need for time off for this purpose (unless advance notice is not feasible) and a copy of the subpoena. Where the need for leave is not foreseeable, the employee is expected to notify the company as soon practicable and, absent unusual circumstances, in accordance with the company's normal leave procedures. Employees may also be asked to provide documentation confirming their attendance at such proceedings.

Witness leave is unpaid. However, employees may choose to use any accrued PTO before taking unpaid leave and to the extent required by applicable law, exempt employees will be paid their normal salary during any workweek in which they perform services for the company.

### **Voting Leave**

We encourage you to exercise your voting privileges in local, state and national elections. Employees should generally have sufficient time to vote either before or after regularly assigned work hours. If an employee knows or has reason to believe that this is not the case, he or she should notify the company at least two (2) full working days in advance of the need for time off to vote. The company will then provide sufficient time off before or after work for the employee to exercise voting rights. Up to two (2) hours of this time may be compensated for nonexempt employees. Time off for voting should be reported and coded appropriately on timekeeping records.

## **Election Leave**

Employees who are chosen to serve as election officials at polling sites will be permitted to take required time off to serve in this capacity. It is incumbent on employees who are chosen to act as election officials to notify their manager a minimum of seven (7) days in advance of their need for time off in order to accommodate the necessary rescheduling of work periods. Election official leave is unpaid. However, non-exempt employees may choose to use any accrued PTO before taking unpaid leave and, to the extent required by applicable law, exempt employees will be paid their normal salary during any workweek in which they perform services for the company. Time engaged as an election official should be reported and coded appropriately on timekeeping records.

## **Donor Leave (California)**

To be eligible for California Donor Leave, an employee must be employed for at least 90 days prior to the commencement of leave. The Company will provide paid leave as follows:

### Bone Marrow Donation:

An eligible employee may take up to five business days of leave in any one-year period to donate bone marrow to another person. The one-year period consists of 12 consecutive months beginning on the date the employee's leave begins. Bone marrow donation leave is paid leave; however, employees are required to use any accrued but unused PTO. Bone marrow donation leave can be taken in one or more periods, but cumulatively, the leave cannot exceed the limits of allowable leave amounts under this policy.

### Organ Donation:

An eligible employee may take up to 30 business days of leave in any one-year period to donate an organ to another person. The one-year period consists of 12 consecutive months beginning on the date the employee's leave begins. Organ donation leave is paid leave; however, employees are required to use up to two weeks of unused PTO. Organ donation leave can be taken in one or more periods, but cumulatively, the leave cannot exceed the limits of allowable leave amounts under this policy.

### Interaction with Other Leave:

California Donor Leave is separate and distinct from and does not run concurrently with leave take under the federal Family and Medical Leave Act, or the California Family Rights Act.

### Certification:

As a condition to receiving donor leave, employees must provide written verification that they are a bone marrow donor or an organ donor and that there is a medical necessity for such donation.

### Maintenance of Health Benefits:

During donor leave, the Company will maintain the employee's coverage under any group health plan in the same manner as covered if the employee was actively at work. This means that the employee is still responsible for the employee's share of any premium.

### Return to Work:

On return to work from donor leave, the Company will return the employee to the same or similar position she enjoyed prior to leave, unless it is not possible for business reasons unrelated to the employee's donation or leave.

### **Leave and/or Accommodation Due to Domestic Violence, Sexual Assault or Stalking (CA)**

An employee who is a victim of domestic violence, sexual assault or stalking is eligible to take leave to obtain or attempt to obtain any relief relating to that domestic violence, sexual assault, or stalking, including, but not limited to seeking medical attention, obtaining services from a shelter, program, or crisis center, obtaining counseling, participating in safety planning or taking other steps to increase safety including temporary or permanent relocation, appearing in court, complying with a subpoena or court order, or a temporary restraining order or other injunctive relief to help ensure the health, safety or welfare of the victim or his/her child.

At your option, you can use any accrued paid time off available to you before taking the remainder of your leave as an unpaid leave.

As a condition of taking time off for domestic violence crime victim leave, the employee shall give the Company reasonable advance notice of the employee's intention to take time off, unless the advance notice is not feasible. If the leave is foreseeable, the employee must give the Company at least 30 days' notice in accordance with the usual procedure for requesting a leave of absence. Where the need for leave is not foreseeable, the employee is expected to notify the Company as soon practicable and, absent unusual circumstances, in accordance with the Company's normal leave procedures.

When an unscheduled absence occurs, no action shall be taken against the employee if within a reasonable time after the absence, the employee provides certification to the employer in the form of the following:

1. A police report indicating that the employee was a victim of domestic violence or sexual assault;
2. A court order protecting or separating the employee from the perpetrator of an act of domestic violence or sexual assault, or other evidence from the court or prosecuting attorney that the employee has appeared in court; or
3. Documentation from a medical professional, domestic violence advocate or advocate for victims of sexual assault, health care provider, or counselor that the employee was undergoing treatment for physical or mental injuries or abuse resulting in victimization from an act of domestic violence or sexual assault.

The Company will reasonably accommodate employees who require and request such accommodation because they are a victim of domestic violence, sexual assault or stalking. Reasonable accommodation could include but is not limited to, implementation of safety measures and procedures, transfer, reassignment, modified schedule, changed work telephone or work station, installed lock, or other adjustments to job structure, assistance in documenting domestic violence, sexual assault, or stalking occurring in the workplace, or referral to a victim assistance organization. Human Resources is responsible for implementing this policy, including resolution of reasonable accommodation, safety, and undue hardship issues. Individuals in need of accommodation under this policy must contact Human Resources who will promptly engage in an interactive process with the employee to find an effective reasonable accommodation depending on the particular circumstances.

### **Crime Victim Leave (CA)**

An employee who is a victim, immediate family member of a victim, a registered domestic partner of a victim or the child of a registered domestic partner of a victim of a violent felony, serious felony, felony provision of law proscribing theft or embezzlement, violence is eligible to take a leave of absence in order to attend judicial proceedings related to that crime.

Employees can use any accrued paid time off available to them as part of their leave before taking the remainder of the leave as an unpaid leave.

As a condition of taking time off for crime victim leave, the employee shall give the Company reasonable advance notice of the employee's intention to take time off and a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing the notice, unless the advance notice is not feasible. If the leave is foreseeable, the employee must give the Company at least 30 days' notice in accordance with the usual procedure for requesting a leave of absence. Where the need for leave is not foreseeable, the employee is expected to notify the Company as soon practicable and, absent unusual circumstances, in accordance with the Company's normal leave procedures.

When an unscheduled absence occurs, no action shall be taken against the employee if within a reasonable time after the absence, the employee provides documentation evidencing the judicial proceeding from any of the following entities:

1. The court or government agency setting the hearing.
2. The district attorney or prosecuting attorney's office.
3. The victim/witness office that is advocating on behalf of the victim.

### **Child-Related and School Leave**

Employees who are the parent, guardian, stepparent, foster parent or grandparent of or who stand in *loco parentis* to a child who attends a licensed child care provider, kindergarten, grades 1 to 12 may take up to a total of 40 hours of leave per year (subject to the limits set forth below and upon presentation of appropriate documentation, if requested) for any of the following reasons relating to that child or children:

- With reasonable advance notice to the Company and limited to 8 hours per month:
  - To find a school or licensed child care provider for the employee's children;
  - To enroll the child in school or with a licensed child care provider; and/or
  - To participate in activities of the child's school or licensed child care provider.
- With as much notice as is possible under the circumstances, to address child care or school emergencies occasioned by:
  - Unexpected requests to pick up the child from the child care provider or school;
  - Behavioral or disciplinary problems relating to the child, including the child's suspension from school;
  - Unexpected closure or unavailability of the school or child care provider; or
  - Natural disasters.

Employees must exhaust PTO prior to taking unpaid leave under this policy.

To substantiate the need for leave, the employee is required to submit documentation from the school or licensed child care provider. When possible, documentation should be provided at the time the employee requests leave. Where it is not practical to obtain the documentation at the time of the request, the employee should submit the documentation upon return to work.

### **Leave for Military Spouses in California**

An employee is eligible for leave if he or she is the spouse or registered domestic partner of a member of the U.S. Armed Forces who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the U.S. president, or a member of the National Guard or Reserves who has been deployed anywhere during a military conflict and who works an average of 20 or more hours per week.

To be eligible for leave, the employee must provide the Company with (1) notice of intention to take family military leave within two business days of receiving official notice that the employee's military spouse or registered domestic partner will be on leave from deployment, and (2) documentation certifying that the employee's military spouse will be on leave from deployment during the time that the employee requests leave.

Employees who qualify are entitled to ten (10) unpaid days off when their spouses are on leave from military deployment

Employees who return to work from leave of absence are entitled to return to their job or an equivalent position without loss of benefits or pay.

### **Emergency Responder Leave**

Any employee who a volunteer firefighter, a reserve peace officer or emergency rescue personnel is entitled to take a leave not to exceed fifteen (15) days per year to perform emergency duties or related training. Leave under this policy is unpaid unless the employee elects to use accrued but unused PTO to cover the absence.

Employees requiring leave under this policy should provide as much advance notice as the situation allows. Employees must provide documentation of their need to take leave under this policy.

### **Civil Air Patrol Leave**

Any employees who is a volunteer member of the California Wing of the civilian auxiliary of the United States Air Force commonly known as the Civil Air Patrol is entitled to take leave not to exceed ten (10) days per year to respond to an emergency operational missions, within or outside of the state, of the California Wing of the Civil Air Patrol. Leave under this policy is unpaid unless the employee elects to use accrued but unused PTO to cover the absence.

Employees requiring leave under this policy should provide as much advance notice as the situation allows. Employees must provide documentation of their need to take leave under this policy.

### **Military Leave of Absence**

Diverse Facility Solutions 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, or any U.S. State's organized militia, including but not limited to Reservists and National Guard members. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or company policy. If any employee believes that he or she has been subjected to discrimination in violation of company policy, the employee should immediately contact Human Resources.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including but not limited to Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence, though exceptions may apply.

Employees requesting leave for military duty should contact Human Resources to request leave as soon as they are aware of the need for leave. For detailed information on eligibility, employee rights while on leave, and job restoration upon completion of leave, and to require appropriate forms, contact Human Resources.

### **Lactation/Breastfeeding**

Any employee who is breastfeeding her child will be provided reasonable break times as needed to express breast milk for her baby. Diverse Facility Solutions will designate a room for this purpose based on location. If a permanent room is not available for the employee to express milk, the Company will provide a temporary location (other than a bathroom stall) that is (1) in close proximity to the employee's work area, (2) private and free from intrusion while the employee expresses milk and (3) used only for lactation purposes while the employee is expressing milk.

A small refrigerator reserved for the specific storage of breast milk is available. Any breast milk stored in the refrigerator must be labeled with the name of the employee and the date of expressing the breast milk. Any nonconforming products stored in the refrigerator may be disposed of. Employees storing milk in the refrigerator assume all responsibility for the safety of the milk and the risk of harm for any reason, including improper storage or refrigeration and tampering. Nursing mothers wishing to use this room must request/reserve the room by contacting their manager. Additional rules for use of the room and refrigerator storage will be posted in the room. Employees who work off-site or in other locations will be accommodated with a private area as necessary. Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

## Employee Handbook (California) Acknowledgment and Receipt

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

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

I understand and agree that, other than the president of company, no manager, supervisor or representative of Diverse Facility Solutions has any authority to enter into any agreement for employment other than at will; only the president of the company has the authority to make any such agreement and then only in writing signed by the president of Diverse Facility Solutions.

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

I understand that, except for employment-at-will status, any and all policies and practices may be changed at any time by Diverse Facility Solutions, and the company reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies. Only the president of Diverse Facility Solutions has the ability to adopt any revisions to the policies in this employee handbook.

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

Whenever there is a conflict between this employee handbook and any collective bargaining agreement, the provisions of the collective bargaining agreement that may be applicable to the employee's employment shall govern, but only to the extent the collective bargaining agreement complies with federal and state laws and only with respect to the employees included in the bargaining unit.

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

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Employee's Signature

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Employee's Name (Print)

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Date

**TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE**