



Our Mission is to assist the Developmentally Disabled and the Elderly Disabled to achieve community inclusion that enhances personal potential, employment opportunities, and / or volunteerism.

Arkay, Inc.

Employee Handbook

Employee Handbook: **Board Approved: 4/28/2016; Amended & Approved 8/8/2019**

Original Board Approval: 06/30/2011

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Revised 06/21/2012, 05/03/2013, 06/17/2013, 4/27/16, 4/25/2019, 7/2/2019, 12/5/19, 7/3/2020

Reviewed: 6/21/2012, 5/03/13, 06/17/2014, 6/4/2015, 4/27/2016, 4/20/17, 4/12/2018, 4/25/19,
7/2/2019, 12/5/19

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MISSION STATEMENT

Our Mission is to assist the Elderly Disabled and the Developmentally Disabled to achieve community inclusion that enhances personal potential, employment opportunities, and / or volunteerism.

INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with Arkay, Inc. and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by Arkay, Inc. to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As Arkay, Inc. continues to grow, the need may arise and Arkay, Inc. reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. The only exception to any changes is our employment-at-will policy permitting you or Arkay, Inc. to end your employment for any reason at any time. Employees will, of course, be notified of such changes to the handbook as they occur.

Consumers are among our organizations most valuable assets. Every employee represents Arkay, Inc. to our consumers and our public. The way we do our jobs presents an image of our entire organization. Consumers judge all of us by how they are treated with each employee contact. Therefore, one of our first business priorities is to assist any consumer or potential consumer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to consumers.

Arkay, Inc. will provide consumer relations and services training to all employees with extensive consumer contact. Our personal contact with the public, our manners on the telephone and the communications we send to consumers are a reflection not only on ourselves, but also on professionalism of Arkay, Inc. Positive consumer relations not only enhance the public's perception or image of Arkay, Inc., but also results in greater consumer loyalty and satisfaction.

EMPLOYEE ACKNOWLEDGEMENT FORM

The employee handbook describes important information about Arkay, Inc., and I understand that I should consult the Program Director and/or Human Resources regarding any questions unanswered in the handbook. I have entered into my employment relationship with Arkay, Inc. voluntarily and acknowledge that there is no specified length of employment. Accordingly, either Arkay, Inc. or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law. Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur and Arkay's policies may change except to Arkay, Inc. policy of Employment-at-Will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the CEO or designees of Arkay, Inc. have the ability to adopt any revisions to the policies in this handbook.

A. **At-Will Employment:** The employment relationship between Arkay, Inc. and each employee is terminable at-will by either party at any time, with or without prior notice, and with or without cause. This provision may not be modified or altered in any way unless in writing specifically addressed solely to the employee and personally signed by the Chief Executive Officer of Arkay, Inc., or such other person specifically designated for that purpose.

B. **Limitation of Actions:** I agree that any claims or suits that I may have against Arkay, Inc., its directors, officers, employees or agents (past, current or future) arising out of the application for employment, employment or termination from employment, including but not limited to, claims arising under state or federal civil rights statutes must be brought within the following time limits or be forever barred: (a) for claims requiring a Notice of Right to Sue from the EEOC, within ninety (90) days after the EEOC issues that Notice; or (b) for all other claims within (i) one hundred eighty (180) days of the event(s) giving rise to the claim, or (ii) the time limit specified by statute whichever is shorter. I knowingly and voluntarily waive any limitation periods that exceed this time limit.

C. **Michigan Law Applies:** This Agreement shall be binding on the heirs and representatives of the parties hereto and shall be interpreted under and in accordance with the laws of the State of Michigan.

D. I acknowledge that I received a copy of Arkay's Employee Handbook including the Employee Rules and Codes of Conduct. I understand that nothing contained in the Handbook may be construed as creating a promise of future benefits or a binding contract with Arkay for benefits or for any other purpose.

Please sign and date this receipt and return it to the Human Resources.

EMPLOYEE'S NAME (print): _____

EMPLOYEE'S SIGNATURE: _____ DATE: _____

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A. Welcome New Employees

Nature of Employment – “At Will”

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between Arkay, Inc. and any of its employees. The provisions of the handbook have been developed at the discretion of management and may be amended or cancelled at any time at Arkay, Inc. sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the CEO of Arkay, Inc.

Introductory Period

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Arkay, Inc. uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Arkay, Inc. may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 90 calendar days after their date of hire. Employees who are promoted or transferred within Arkay, Inc. must complete a secondary introductory period of the same length with each reassigned to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If Arkay, Inc. determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee’s performance, the introductory period may be extended for a specific period.

Upon satisfactory completion of the initial introductory period, employees enter the “regular” employment classification.

During the initial introductory period, new employees are eligible for those benefits that are required by law, such as workers’ compensation insurance and Social Security. New employees **ARE NOT** eligible for other Arkay, Inc.-provided benefits, subject to the terms and conditions of each benefits program until after the first 90 calendar days after their date of hire. Employees should read the information for each specific benefits program for the details on eligibility requirements.

Employment status is not changed during the secondary introductory period that results from a promotion or transfer within Arkay, Inc.

Successful Completion of Pre-Employment Screening

Employees shall successfully complete all pre-employment screenings, which include, but are not limited to, criminal background check, TB test and drug screening. Employees are also required to successfully complete all VCE trainings within the first 30 calendar days of employment.

B. Non-Discrimination/Anti-Harassment

Equal Employment Opportunity

Arkay, Inc. provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, sex (including pregnancy, childbirth or related medical conditions), national origin, age, veteran status, disability, genetic information or any other legally protected characteristic under federal, state or local laws. Arkay, Inc. complies with applicable state and local laws governing non-discrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

Arkay, Inc. expressly prohibits any form of unlawful employee harassment based on race, color, religion, sex (including pregnancy, childbirth or related medical conditions), national origin, age, veteran status, disability, genetic information or any other legally protected characteristic under federal, state or local laws.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Sexual and Other Unlawful Harassment

Arkay, Inc. is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Action, words, jokes, or comments based on an individual's sex, race, color, age, national origin, religion, disability, marital status, sexual orientation, pregnancy, veteran status, height, weight, or any other characteristic protected by law will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment example:

- Unwanted sexual advances
- Offering employment benefits in exchange for sexual favors
- Making or threatening reprisals after a negative response to sexual advances

- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes
- Verbal sexual advances or proposition
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations
- Physical conduct includes touching, assaulting, or impeding or blocking movements. Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact Human Resources and/or Corporate Compliance. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witness and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or Manager who becomes aware of possible sexual or other unlawful harassment must immediately advise Human Resource and/ or Corporate Compliance and any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

C. Disability Accommodations

Arkay, Inc. is committed to compliance with all federal and state laws and regulations concerning the employment of persons with disabilities. Furthermore, it is Arkay, Inc.'s policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment. Post-offer medical examinations may be required for positions in which certain physical capabilities and health requirements are necessary to safely perform the essential functions of the position.

When an individual with a disability requests accommodation and can be reasonably accommodated without creating an undue hardship or causing a direct threat to workplace safety, he or she will be given the same consideration for employment as any other applicant.

Arkay, Inc. will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of their job. Contact Human Resources with any questions or requests for accommodation.

All employees are required to comply with the company's safety standards, including those policies concerning the use of drugs and alcohol. Current employees who pose a direct threat to the health or safety of themselves or other individuals in the workplace will be placed on leave until an organizational decision has been made in regard to the employee's immediate employment situation.

D. Zero Tolerance Substance Free Workplace Policy - Drug and Alcohol Use

Arkay, Inc. has a zero tolerance Substance Screen policy. It is Arkay, Inc.'s desire to provide a drug-free, healthful, and safe workplace.

While on Arkay, Inc.'s premises and while conducting business-related activities off Arkay, Inc. premises, no employee may use, possess, distribute, sell or be under the influence of alcohol or illegal drugs including marijuana. The legal use of prescribed drugs is permitted as long as the medication is prescribed by a physician to the employee, is taken as prescribed and does not impair judgment, impair ability to drive a car and/or impair your ability to perform your duties effectively and in a safe manner that does not endanger other individuals. Medical marijuana use is also prohibited, regardless of whether an employee is certified; regardless of whether use is on or off-duty. Use and possession of marijuana is illegal under federal law. Any "detectable amount" of drugs that are illegal under state or federal law is prohibited.

Violation of this policy in any way will result in immediate termination of employment. Such violations may also have legal consequences.

Employees with drug and alcohol problems that have not resulted in, and are not subject of, disciplinary action may request time off to participate in a rehabilitation or treatment program. Leave may be granted if the employee agrees to abstain from use of the problem substance; abides by all Arkay, Inc. policies, rules, and prohibition relating to conduct in the workplace; and if granting the leave will not cause Arkay, Inc. any undue hardship. Under the Drug-Free Workplace Act, an employee who performs work for a government contract or grant must notify Arkay, Inc. of a criminal conviction for drug-related activity occurring in the workplace. The report must be made within five days of the conviction.

Drug/Alcohol Testing

Arkay, Inc. is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job poses serious safety and health risks, and may result in immediate termination.

Pre-employment drug testing is done for all positions, and randomly thereafter according to Arkay, Inc.'s Substance Screen policy.

Copies of Arkay, Inc.'s Substance Screen Policy will be provided to all employees. Questions concerning this policy or its administration should be directed to the CEO or his/her designee.

E. Administrative Rights, Responsibilities and Practices

Rights of the Management

The management of Arkay, Inc. retains and practices certain rights. The following is a partial list of all reserved practices and rights:

1. The right to send any employee for a drug or alcohol screen at any time, in accordance with Arkay, Inc.'s Zero Tolerance Substance-Free Workplace policy.
2. The rights to hire, fire, suspend and otherwise discipline its employees at Arkay, Inc. sole discretion as is deemed necessary.
3. To determine the hours of work, to assign employees. To transfer employees, to reduce the hours of work, and to lay off employees as is deemed necessary.
4. To determine the job classification and duties of each employee which are subject to change without written notice to the employee.
5. To manage the organization's affairs efficiently and economically, including the determination of quantity or quality services to be rendered, the control of equipment to be used, and discontinuance of any services or methods of operation.
6. To introduce new equipment, methods, or processes, changes or eliminate existing equipment, and institute technological changes, decide on supplies and equipment to be purchased.
7. To sub-contract or purchase the construction of new facilities, or the improvement of existing facilities, as is deemed necessary by Arkay, Inc. The Arkay Procurement Policy will be used to determine these contract decisions.
8. To determine the number, location and type of facilities, to direct the work force, to assign the type and location of work assignments and to determine the number of employees assigned to operate a facility.
9. To close or otherwise reduce the scope of operation at any or all worksites.
10. To determine starting and quitting times, and the number of hours to be worked by employees.
11. To establish and change work schedules, work standards and the methods of processes and procedures by which such work is to be performed by employees.
12. To select employees for promotion or transfer to other supervisory positions, and to determine the qualifications and competencies of the employees to perform available work.

Employment Categories

It is intent of Arkay, Inc. to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by Arkay, Inc. management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work 35 hours or more per week. However, an employee is

benefit eligible at 30 hours a weekly subject to the terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than 35 hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they may be ineligible for some of Arkay, Inc.' other benefit programs.

INTRODUCTORY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with Arkay, Inc. is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new employment classification.

Job Postings

Arkay, Inc. provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, most regular, full-time job openings are posted, although Arkay, Inc.'s reserves its discretionary right to not post a particular opening.

Job openings may be posted on the employee bulletin board. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

To be eligible to apply for a posted job, employees must have performed competently for at least 90 calendar days in their current position. Employees who have a written warning on file, or are on probation or suspension are not eligible to apply for posted jobs unless a written waiver is obtained from the CEO. Eligible employees can only apply for those posted jobs for which they possess the required skills, competencies and qualifications.

To apply for an open position, employees should submit a job posting application to the Program Director listing job-related skills and accomplishments. It should also describe how their current experience with Arkay, Inc. and prior work experience and/or education qualifies them for the position.

Arkay, Inc. recognizes the benefit of developmental experiences and encourages employees to talk with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.

An applicant's supervisor may be contacted to verify performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a prospective transfer may also be discussed.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

Employment Applicants

Arkay, Inc. relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

Employee Physical

To help ensure that employees are able to perform their duties safely, testing for Tuberculosis (TB) may be required and a medical examination may be required.

All offers of employment are contingent upon negative TB results.

Current employees may be required to take medical examinations to determine fitness for duty. Such examinations will be scheduled at reasonable times and intervals and performed at Arkay, Inc.'s expense.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially. Access to this information will be limited to those who have a legitimate need to know.

Employment Reference Checks

Arkay, Inc. may respond to reference check inquiries from other employers. Responses to such inquiries will be limited to factual information that can be substantiated by Arkay, Inc.'s records.

Access to Personnel Files

Arkay, Inc. maintains personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records. A separate employee file is maintained for all medical information.

Personnel files are the property of Arkay, Inc., and access to the information they contain is restricted. Generally, only supervisors and management personnel of Arkay, Inc. who have a legitimate reason to review information in a file are allowed to do so.

With reasonable advance notice, employees may review their own personnel files in Arkay, Inc.'s offices and in the presence of an individual appointed by Arkay, Inc. to maintain the files.

Marketing

All marketing materials of Arkay, Inc. shall accurately reflect the services available and the level of licensure and accreditation.

Research and Clinical Studies

Arkay, Inc. shall not conduct research experimentation, or clinical trials involving human subjects. This includes any action or proposal that is not compatible with Arkay, Inc.'s mission.

Corporate Compliance

Arkay, Inc. promotes the ethical behavior of management and staff through the establishment of ethical guidelines in the interest of preserving at all times the human rights, dignity, health, and safety of all consumers. Guidelines are created to keep the therapeutic relationship productive, free of outside conflict, and most especially free of harm to the consumer. Any violation of the stated ethics will result in disciplinary action, up to and including termination.

Workplace Monitoring

Workplace monitoring may be conducted by Arkay, Inc. to ensure quality control, employee safety, and consumer satisfaction. Audits of work records and files are a mandatory part of compliance with state and federal law. Audits are held without notice and employees are expected to fully cooperate in the process.

Because Arkay, Inc. is sensitive to the legitimate privacy rights of employees, every effort will be made to ensure that workplace monitoring is done in an ethical and respectful manner. Employees should have no expectation of privacy when transmitting e-mail through work servers, including personal email.

F. Employee Rules and Codes of Conduct

Code of Ethical Conduct

It is the responsibility of Arkay, Inc. to promote the ethical behavior of management and staff through the establishment of ethical guidelines in the interest of preserving at all times the human rights, dignity, health, and safety of all consumers. Guidelines are created to keep the therapeutic relationship productive, free of outside conflict, and most especially free of harm to the consumer. Any violation of the stated ethics will result in disciplinary action, up to and including termination.

General Personal Conduct

Employees shall conduct themselves in a manner that encourages complete confidence among consumers and the general public. Employees shall conduct themselves in such a way to avoid all situations where prejudice, bias, or opportunity for personal gain could influence their professional decisions.

Employees are expected to be honest and trustworthy at all times. All employees are hired under the premise that they are of the highest level of honesty and integrity, and are expected to maintain this level throughout their employment with Arkay, Inc.

Employees are expected to report for work on time as scheduled and be ready to start work at the assigned time. Employees are expected to notify the Program Director or Supervisor directly, by phone when they are unable to be to work on time. You must speak to them personally. Leaving a message is insufficient, and does not excuse you from your shift.

Work Rules

To ensure orderly operations and provide the best possible work environment, Arkay, Inc. expects employees to follow rules of conduct that will protect interest and safety of all employees and organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following conduct is strictly forbidden and will result in the employee being harshly disciplined, and could result in immediate employment termination:

- The unlawful manufacture, distribution, possession, or use of a controlled substance on agency property or during work hours, regardless of location, is prohibited. Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment.
- Employees shall refrain from conduct that in any way could interfere with their professional roles and tasks, or negatively impact the reputation of Arkay, Inc., including public conduct with respect to alcohol/drug use. If any employee is found to be under the influence of unauthorized drugs, the employee will be immediately terminated, as per Arkay, Inc.'s Zero Tolerance policy.
- The possession of firearms or other weapons on Arkay, Inc.'s time or property. Possession of dangerous or unauthorized materials, such as explosives, weapons or firearms, in the workplace.
- Fighting, threatening others, or any type of workplace violence on Arkay, Inc. time, property, and worksites.
- Insubordination or other disrespectful conduct – the refusal by an employee to follow specific instructions as set forth by the Supervisor and/or Arkay, Inc.'s Policies and Procedures.
- Theft or misuse of property owned by Arkay, Inc., a specific job site, another employee or a consumer.
- Gambling on Arkay, Inc.'s property.
- Falsifying documentation. Falsification of timekeeping records.
- Boisterous or disruptive activity in the workplace.
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property.
- Violation of safety or health rules. Creating, contributing to or failure to report any unsafe working conditions.
- Smoking in prohibited areas, including vehicles.
- Sexual or other unlawful or unwelcome harassment.
- Excessive absenteeism, tardiness or any absence without notice.
- Unauthorized absence from workstation during the workday.
- Unauthorized use of telephones, mail system, or other employer-owner equipment.
- Unauthorized disclosure of business “secrets” or confidential information.
- Violation of the employee handbook.
- Unsatisfactory performance or conduct.
- Use of on-duty time to conduct personal business.
- Involvement in a conflict of interest situation or failure to promptly report a possible conflict of interest situation.
- Failure to meet grooming standards.
- Failure to work cooperatively and treat others with courtesy and respect
- Operating a motor vehicle at work without a valid driver's license
- Failure to report work related accidents in which injury or property damage occurred.
- Hindering, in any way, an audit of work records and/or files.
- Improper romantic or sexual relationship with a consumer or employee.

Employee Conduct at the Worksite

- All employees will follow all policies and procedures of the assigned work site.
- All employees will conduct themselves professionally and maturely at all work sites.
- All employees will follow any and all directions given by a worksite Supervisor.
- Employees are expected to comply with all safety regulations as set forth by OSHA, MIOSHA, Arkay, Inc., the work site the employee is assigned to, and any other safety precautions as deemed necessary to ensure the safety of the employee, consumer and others.
- Employees who smoke will do so only during breaks and only in designated areas if the person they are responsible for is able to be left unattended. Employees shall refrain from smoking at smoke-free Arkay jobsites.
- Employees shall dress in a manner that is appropriate for the community and as specifically designated by the worksite the employee is assigned to.
- Employees are expected to perform all assigned tasks as efficiently as possible.
- Employees are expected to maintain the workplace and work area in a neat and clean manner.
- Employees are expected to treat all persons associated with Arkay, Inc. with respect and dignity.
- Employees are expected to use appropriate language and body gestures at all times. Offensive language and/or body gestures will not be tolerated.
- Employees shall notify the Director of Human Resources or the CEO of any criminal convictions and/or any pending felony charges and give written notice of the disposition and the judgment of sentence of those charges.

See **Work Rules** which applies to all employees

Conflicts of Interest

- Employees shall not pay or give any money or other considerations or anything of value, directly or indirectly to a person in return for referral of a consumer.
- To avoid conflicts of interest and promote freedom of choice, employees shall make clinically appropriate referrals to suitable providers in accordance with the respect of the consumer.
- All employees shall disclose any financial interest that may influence their decisions with regard to the agency and shall refrain from participation in those decision-making processes.
- Arkay, Inc. shall provide services based on freedom of choice for the consumer and the individual's diagnostic, treatment, and service needs and will ensure that reimbursement issue or proprietary interest on the part of leaders or personnel of the agency does not influence clinical decision-making.

Personnel Competence

Employees must provide only those services for which they are qualified through education, training, or experience. Employees will refrain from misrepresenting their qualifications, degrees, licensing, or areas of expertise.

Integrity

Employees will do nothing to mar their own trustworthiness, or raise doubts in the minds of the consumers about the competence of their peers.

Employees will respect the rights and views of other employees and other professionals within the agency, including respect for the agency policies and cooperation with the goals and objectives established by the agency.

Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image Arkay, Inc. presents to customers and visitors.

During business hours or when representing Arkay, Inc., you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true when your job involves dealing with customers or visitors in person. Those working in the community must dress accordingly for the worksite or community site. If a consumer is required to wear a certain outfit (e.g. white shirt and navy pants), then the employee must also follow this dress code when requested by the employer.

Your supervisor or Program Director is responsible for establishing a reasonable dress code appropriate to the job you perform. If your supervisor feels your personal appearance is inappropriate you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstances, non-exempt employees will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodations may be made for a person with a disability. The following guidelines have been put in place for your safety and to establish what clothing is deemed appropriate or not appropriate for the workplace.

- Employees are expected to maintain high standards of neatness, cleanliness and personal hygiene.
- All employees should arrive for work in neat, clean clothing that is appropriate for their work assignment. Any safety clothing or equipment required at a jobsite must be worn.
- No clothing which depicts anything that is construed as vulgar, offensive, or of a sexual nature or in any way condones the use of illegal drugs is allowed.
- Summer clothing is to be of a modest type. Shorts that are shorter than three inches above the knee, spandex shorts/pants, halter tops, half shirts, tank tops, bathing suits or see-through clothing, as well as yoga pants, sweat pants and jeans with holes are strictly prohibited. If an occasion is such that a bathing suit is appropriate, it is to be brought in separately and changed for the occasion only and at the Director's discretion.
- Jewelry should be appropriate for the workplace. Arkay, Inc. is not responsible for broken or lost jewelry.
- Shoes should meet the standards and requirements of each jobsite. Shoes should provide comfort and safety and be appropriate to the assigned duties of the employee. Flip flops are strictly prohibited and summer shoes must have a strap on the back.

If you have questions about your required work attire, consult with your Program Director.

Solicitation

During working time, Arkay, Inc. strictly regulates the solicitation of employees and the distribution of non-work related literature to employees. Arkay, Inc. also strictly regulates the

posting of non-work related items on Company bulletin boards. The purpose of this policy is to maintain a productive workplace focused on Arkay, Inc.'s business.

As used in this policy:

- the term "working time" means the period of time that an employee spends performing actual job duties, and does not include meal periods or breaks;
- the term "work areas" includes all locations on Arkay, Inc.'s premises where employees conduct work for the company, but does not include designated break areas, cafeterias or parking lots ("non-work areas"); and
- the term "solicit" means any effort to sell goods or services or to raise money on behalf of the soliciting party personally, or for any outside organization, club, society, religious group, political party, or similar organization, or the distribution of any materials such as leaflets or flyers for those organizations.

The following restrictions apply:

Solicitation - Absent prior authorization from management, no employee may solicit another employee for any purpose not directly related to the employee's assigned work, if the solicitation occurs during the employee's working time or the working area of the employee being solicited. Solicitation is permitted when both parties are not on working time.

Distribution - Absent prior authorization from management: (a) no employee may distribute written literature or materials for any purpose not directly related to the employee's assigned work, if the distribution occurs during either the employee's working time or the working areas of any employee approached; and (b) distribution of these documents is prohibited at all times in all working areas on Company premises. Employees may distribute non-work related written documents to other employees in non-work areas during non-working time.

Postings / Bulletin Boards - Generally, Arkay, Inc.'s bulletin boards are intended to be used for business-related purposes. Absent prior authorization from the CEO or their designee, the posting of other items not directly related to work is prohibited. However, the posting of personal items for sale or rent such as would appear in the classified section of a newspaper (e.g., cottage rental, auto for sale) is permitted.

For purposes of this Policy, small-scale employee collections or sale of items for the benefit of non-profit organizations, such as schools, girl scouts and other youth clubs, or certain persons in need of charitable assistance, such as local families or employees in distress, are generally permitted, provided that employees receive advance approval from their manager.

Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify the supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment. Seatbelts must be worn at all times and alcohol use is prohibited. The use of hand-held devices (such as cell phones) or other devices that may tend to distract an employee who is driving or operating company-owned vehicles or safety equipment is prohibited.

Maintenance of Required Records

Employees are required to provide a copy of their driving record upon hire. This driving record will be re-checked on an annual basis throughout your term of employment. Employees are required to maintain a good driving record with no more than 5 points against them during their employment. Employees are required to report to their supervisor any tickets and/or points received prior to their next scheduled work shift.

Vehicles used during work hours must have valid automotive insurance. Proof of insurance must be provided to Arkay, Inc. upon entering the vehicle into service. Should the insurance policy lapse, the employee must notify their supervisor immediately. No uninsured vehicles can be used to conduct Arkay, Inc. business. Arkay, Inc. reserves the right to check and validate your insurance policy at any time during your term of employment.

Vehicles used during work hours must be maintained to meet Arkay Inc.'s vehicle safety standards. Arkay, Inc. inspects the maintenance of all service vehicles on a regular basis. At any time, if Arkay, Inc. deems a vehicle unsafe for business use, the vehicle will be removed from service. That employee will be required to provide proof that the needed repairs have been made. A reasonable amount of time for this to occur may vary per circumstance and will be determined at the Program Director's discretion.

Employees are required to provide permission for Arkay, Inc. to run criminal history checks upon hire and no less than annually throughout their term of employment. Employees are required to maintain a clean record during their term of employment. Employees are required to report to their supervisor any criminal charges/convictions, tickets and/or points received prior to their next scheduled work shift.

Falsification of any of these required records and/or failure to report criminal or motor vehicle violations will result in disciplinary action.

Visitors in the Workplace

To provide for the safety and security of employees and the facilities at Arkay, Inc., only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distraction and disturbance.

A Visitor Log is posted at each location to keep track of visitors, and their reasons for visiting. All visitors should enter Arkay, Inc. at the lobby. Authorized visitors will receive direction or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on Arkay, Inc.'s premises, employees should immediately notify their supervisor or, if necessary, direct the individual out the door. If there is any concern regarding the unauthorized or unwelcome visitor, the police should be immediately called.

Computer and E-mail Usage

Computers, computer files, the E-mail system, and software furnished to employees are Arkay, Inc. property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization. Employees should have no expectation of privacy when transmitting e-mail through work servers, including personal email.

Arkay, Inc. strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, Arkay, Inc. prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

E-mail may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Arkay, Inc. purchases and licenses the use of various computers software for business purpose and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, Arkay, Inc. does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. Arkay, Inc. prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, the CEO or any other management person upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of Employment.

Computers and/or equipment provided to employees, in or out of the office, should be treated as company property and should be used for business purposes only. Repairs resulting from problems due to personal use will be the responsibility of the employee, who will be billed accordingly.

Use of Phone and Mail Systems

Personal calls are not to be received or placed during working hours when an employee is working with consumers. This includes personal or business cell phones. Excessive personal phone calls are prohibited, including calling other staff members, unless it is of an urgent or emergency nature as determined by your supervisor. Since each job site has different rules regarding telephone usage, if an employee needs to call the corporate office or contact the Supervisor for some reason, the job site rules must be abided by. The Supervisor will inform employees of what is acceptable at their particular job site. Absolutely NO phones calls or text messages are to be answered or placed while driving a consumer.

To ensure effective telephone communications, employees should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so.

The mail system is reserved for business purposes only. Employees should refrain from sending or receiving personal mail at the workplace.

Smoking

In keeping with Arkay, Inc.'s intent to provide a safe and healthful work environment, smoking inside the workplace is strictly forbidden. Employees are forbidden from smoking with or near a consumer, or near the entrance or exit that a consumer may use. In situations where the preferences of smokers and nonsmokers are in direct conflict, the preferences of nonsmokers will always prevail. Absolutely no smoking is allowed while transporting consumers. Employees must follow the smoking rules and etiquette at all job sites and community outing locations. **Arkay employees shall refrain from smoking at non-smoking job sites. At no time will smoking take precedence over the safety and satisfaction of a consumer.**

This policy applies equally to all employees, customers, and visitors.

Personnel Data Changes

It is the responsibility of each employee to promptly notify Arkay, Inc. of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents (and whether they are being added or deleted), individuals to be contacted in the event of an emergency, educational accomplishments and other such status reports should be accurate and current at all times. If any personnel data has changed, notify your supervisor and fill out required forms.

Employee/Consumer Relationships

Employee shall not enter into a personal or business relationship with consumers or their families that may result in conflict of interest or negative consequences for the consumer. This shall include dating, social, personal and/or business relationships.

Sexual Relations

Employees shall under no circumstances involve themselves in a sexual relationship with a consumer. **Arkay strongly discourages employees dating fellow employees as it interferes with productivity and presents the possibility of conflicts of interest in the workplace.**

Acceptance of Gifts and Loans

Employees should report any gifts received from consumers and their family members to management who will determine the appropriateness of the gift.

Borrowing money from another employee is discouraged, as this could lead to hard feelings and breakdown in team effort.

Record Keeping

No record shall be falsified or misrepresent the facts or events. All records shall be maintained according to agency standards and governed by confidentiality guidelines.

Duty to Report

Employees must, in a timely manner, report their suspicions of child/elder/disabled adult abuse and neglect and exploitation in accordance with the laws of the State of Michigan. Employees are required to complete a Recipient Rights complaint form and submit it within 24 hours to the Office of Recipient Rights.

Duty to Warn

A mental health professional can be held liable for not warning an identified third party of a threat of violence by a consumer. If an employee believes a consumer may carry out a threat against an identified third party, they must act to protect that party.

Non-Competition Agreement

Employees are required to sign an agreement that states that they may not participate in any business or activity that is in competition with the Arkay, Inc., or disclose to anyone outside of Arkay, Inc. any confidential information. This includes consumer data, trade secrets, and any and all data or information not generally known outside of the Arkay, Inc. All business and/or fees produced or transacted through an employee’s efforts are the sole property of Arkay, Inc. All premiums, commissions or fees collected are in the name of and on behalf of Arkay, Inc.

Outside Employment

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with Arkay, Inc. All employees will be judged by the same performance standards and will be subject to Arkay, Inc.’s scheduling demands, regardless of any existing outside work requirements.

If Arkay, Inc. determines that an employee’s outside work interferes with performance or the ability to meet the requirements of Arkay, Inc. as that are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with Arkay, Inc.

Outside employment will present a conflict of interest if it has an adverse impact on Arkay, Inc.

Non-Disclosure Agreement

The protection of confidential business information and trade secrets is vital to the interests and the success of Arkay, Inc. Such confidential information includes, but is not limited to, the following examples:

- | | |
|-------------------------|--------------------|
| Policies and Procedures | Customer Lists |
| Financial Information/ | Marketing Material |
| Consumer Information | Service Design |
| Employee Information | |

All employees are required to sign a Nondisclosure Agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

G. Recipient Rights

Recipient Rights

The consumer we provide service for, like anyone else, has certain rights. The following rights must be observed at all times. Any violation of these rights will result in disciplinary action, up to and including termination of employment.

1. The right to be free from discrimination on the basis of race, religion, national origin, sex, handicap, sexual orientation, marital status, or source of payment in the provision of services and care.
2. The right to exercise his/her constitutional rights, including the right to vote, the right to practice religion of his/her choice, the right to freedom of movement, and the right of freedom of association.
3. The right to participation in religious practices.
4. The rights to write, send, and receive uncensored and unopened mail at his/her own expense.
5. The right of reasonable access to a telephone for private communications. Similar access shall be granted for long distance collect calls and calls which otherwise are paid for by the consumer.
6. The right to voice grievances and present recommendations pertaining to the policies, services, and house rules workplace without fear of retaliation.
7. The right to associate and have private communications and consultations with his/her own physician, attorney, and or any other persons of his/her choice.
8. The right to participate in activities of social, religious, and community groups of his/her own choice.
9. The right to use services of advocacy agencies and to attend other community services of his/her own choice.
10. The right of reasonable access to and use of his/her personal clothing and belongings.
11. The right to employ the services of a physician, psychiatrists, or dentist of his/her choice for obtaining medical, psychiatric, or dental services.
12. The right to refuse treatment, including the taking of medication, and be made aware of the consequences of that refusal.
13. The right to be treated with dignity, individuality, and the need for privacy.

Mistreatment of Consumers

Employees shall not mistreat any consumer at any time. Any violations of the following are strictly forbidden:

1. Use any form of punishment
2. Use any form of physical force other than physical restraint. Physical restraint means the bodily holding of a consumer with no more than necessary to limit the consumer's movement.
3. Restrain a consumer's movement by binding or tying or through the use or medication, paraphernalia contraptions, material, or equipment for the purpose of immobilizing a consumer.
4. Confine a consumer in an area, such as a room where egress is prevented in a closet, or in a bed, box or chair or restrict a consumer in a similar manner.
5. Withhold food, water, clothing, rest, or toilet use.
6. Subject a consumer to any of the following:
 - a. Mental or emotional cruelty
 - b. Verbal abuse
 - c. Derogatory remarks about the consumer or members of his/her family

- d. Threats
- e. Refuse the consumer entrance to his/her home
- f. Isolate a consumer by complete and unattended separation from staff and other consumers
- g. Use any electrical shock device
- h. Not following proper lifting and changing procedures

If an employee violates this policy they will be subject to disciplinary action, up to and including termination of employment.

Confidentiality

All employees are required to keep confidential the information given to them by the consumers they serve. Employees are required to secure all written or electronic records or files that contain information about the consumers.

There is a fine line between advocating for consumers needs and resources, and breaching confidentiality. Employees must use restraint and common sense to enable them to seek out services and resources for consumers without orally breaching confidentiality and divulging personal or confidential information to uninvolved parties, including uninvolved staff, support personnel family, friends, spouses, or other acquaintances.

Consumers served by Arkay, Inc. have the right to privacy and confidentiality unless:

1. The disclosure is allowed by subpoena.
2. There is a specifically identified danger to the consumer or others
3. There exists a violation of child/elder/disabled adult protection laws
4. The disclosure is made to medical personnel for research, audit, and or program evaluation.
5. Releases for the consumer or their parent/guardian expressly permit information about a consumer to other organizations or individuals in writing.

Media Releases

In keeping with the confidentiality policy, employees and former employees are never to release information to the media about any consumer or staff associated with Arkay, Inc. If a person from the media contacts an employee, the employee is to get a name and a phone number that the person can be reached at and the name of the media that the person represents. Employees are to inform the person that Arkay, Inc. CEO or the employee's supervisor will get in touch with them. Employees are never to release the telephone number of another staff member, including a supervisor.

Informed Consent

Arkay, Inc. shall inform the consumer of the treatment or services to be received at Arkay, Inc. The consumer shall also be informed of the potential benefits and risks of the proposed service approach. The consumer shall be informed of his or her right to the extent permitted by law, to refuse treatment of services.

H. Employee Problem Resolution

Employee Relations

Arkay is committed to sustaining a positive work environment in which employees work constructively together. The problem resolution policy and procedure has been established as a

foundation for ensuring that the work environment remains positive. The Company realizes that in any organization, problems, misunderstandings, and difference of opinions may arise in the daily work situations; therefore, a channel of communication must be adopted to help resolve the problems. The Company recognizes it cannot expect to correct or eliminate every cause for personal dissatisfaction, but does realize it has a responsibility to provide employees with a method for bringing dissatisfactions out in the open where free and open discussion can be made to arrive at a mutually satisfactory conclusion. The problem resolution policy is intended to:

1. Provide the opportunity to resolve a conflict or complaint quickly, fairly and without reprisal.
2. Improve communication and understanding between employees; and between employees and their supervisor.
3. Ensure confidence in management decisions by providing a mechanism whereby management decisions can be objectively reviewed.
4. Support a positive work environment by allocating supervisors responsibility for preventing and resolving conflicts and complaints.
5. Identify organization policies and procedures which need to be clarified or modified.

Employees who are experiencing a work related problem are encouraged to resolve it through discussions with their supervisor whenever possible. Penalty or retaliation against an employee who initiates problem resolution, or participates in a problem resolution investigation, will not be tolerated and will be subject to disciplinary action,

Informal problem resolution process:

Employees are highly encouraged to follow the informal approach to problem resolution prior to making a formal complaint. We hope that the majority of concerns will be resolved this way. However, if an employee believes that their supervisor is sexually harassing them or violating any of their civil rights, notify the Human Resource Director immediately. Page 8 and 9 of your Employee Handbook will provide guidance on these issues.

1. Employees who experience a work related problem or who have a complaint should first attempt to discuss the matter with their supervisor and/or the individual involved in the conflict informally. In some situations, this may be difficult or inappropriate. In these cases, the employee may request a meeting with the next level of management and/or the Human Resources Director to discuss the problem. These conversations remain confidential and no further action is taken without the employee initiating it.
2. The supervisor, the next level of management, along with ~~the~~ Human Resources Director will analyze the merits of the problem resolution request or complaint, and within seven (7) working days will meet with the employee to inform the employee of the proposed plan of action. The issue may be brought before members of management for further discussions and the employee will sign a consent before this happens.
3. If the employee is not satisfied with the informal resolution of the problem, he or she may proceed to the formal problem resolution process. An Employee Problem Resolution Form is available from the Human Resources Department.

Formal problem process:

1. Employees who have a complaint that has not informally been resolved or requires management intervention in relation to a work related conflict and wishes to initiate the formal problem resolution process are to prepare a written Problem Resolution Form which includes:
 - a. The matter at issue or dispute with a clear and concise statement of the nature of the problem including when the incident or situation leading to the issue occurred;

- b. The remedy or solution sought;
- c. The date of the filing;
- d. The name, title and signature of the employee seeking resolution;
- e. The document shall contain all points to be included in the statement including the dates and results of prior discussions.

This is to be submitted to the supervisor and ~~the~~ Human Resources. The function of Human Resources is to facilitate administration of the formal procedure by giving assistance when needed to both the employee and the member of the management. Facts not contained in the written official document may be introduced later in the procedure only with consent of all interested parties.

2. Within seven (7) working days of receiving the Problem Resolution Form, the supervisor and Human Resources will complete the investigation and prepare a joint written response which will include a plan of action. Human Resources will forward a copy of the response along with a request that the employee sign and date the copy to confirm he or she has received the reply and agrees or disagrees with the plan of action. Any other party to the complaint will also sign and date the copy to confirm he or she has received the reply and agrees or disagrees with the plan of action. This will become part of the parties' personnel files.
3. If the employee agrees with the recommended plan of action, the supervisor will send a copy of the signed reply to Human Resources for inclusion in the employee's personnel file.
4. If the employee disagrees with the recommended plan of action, he or she may appeal the plan of action to the Executive Leadership Panel within five (5) working days by submitting all previous documentation. No new information may be included in this appeal.
5. Executive Leadership Panel will forward a response to the employee either concurring with the previous resolution or proposing an alternative resolution within seven (7) working days.
6. If the complaint has not been resolved, the employee can request the complaint be reviewed by the most senior executive via ~~the~~ Human Resources within 5 working days of receipt of response. The decision and recommendations made by the most senior executive will be final.

Note: Each step is to be exhausted, prior to moving to the next step in the process. This process does not reduce and/or minimize Arkay's policy of "at will employment". Employment with Arkay, Inc. is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, Arkay, Inc. may terminate the employment relationship at will at any time, with or without cause, so long as there is no violation of applicable federal or state law. Only current employees can file a Problem Resolution Form. Termination cannot be grieved.

Corporate Compliance

Arkay's leadership is fully committed to the need to prevent and detect fraud, fiscal mismanagement and misappropriation of funds at all levels of the organization. Arkay has developed a formal corporate compliance plan to ensure ongoing monitoring and conformance with all legal and regulatory requirements. The Agency places the highest importance upon its reputation for honesty, integrity and high ethical standards. If an issue exists, please report to Arkay's corporate compliance officer immediately.

Fraternization Policy

It is contrary to Arkay's policy to employ supervisors who initiate or develop romantic relationships with company employees; whether the employee is another supervisors or subordinates or whether the subordinates is under the direct supervision of the supervisor or not. If a supervisor should become

romantically involved with another employee who is also employed by Arkay, it shall be company policy to make efforts to reassign employees where a potential conflict exists; however, reassignment cannot be guaranteed. Arkay reserves the right to terminate one or both of the employees if conflict of interest is identified and re-assignment is not possible. This policy shall be enforced uniformly without regard to any discriminatory criteria.

I. Health and Safety

Safety

To assist in providing a safe and healthful work environment for employees, consumers and visitors, Arkay, Inc. has established a workplace safety program. This program is a top priority for Arkay. The Program Director has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all.

Arkay, Inc. provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report or where appropriate remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the Program Director or the appropriate supervisor. Such reports are necessary to comply with the laws and initiate insurance and workers' compensation benefits procedures. At the time of an accident and at the Program Director's discretion, the employee may be asked to submit to substance screening.

Workplace Violence Prevention

Arkay, Inc. is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, Arkay, Inc. has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of Arkay, Inc. without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

Arkay, Inc. will promptly and thoroughly investigate all reports of threats of (or actual) violence and suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, Arkay, Inc. may suspend employees with or without pay, pending investigation.

Anyone determined 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 termination of employment.

Security Inspection

Arkay, Inc. wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or improper materials. To this end, Arkay, Inc. prohibits the possession, transfer, sale, or use of such materials on its premises. Arkay, Inc. requires the cooperation of all employees in administering this policy:

Arkay, Inc. does not require probable cause before choosing to search a desk, locker or other work or storage space on the premises. An employee does not have any reasonable expectation of privacy in those areas. Desks, lockers, and other storage devices may be provided for the convenience of employees but remains the sole property of Arkay, Inc. Accordingly, they as well as any articles found within them, can be inspected by management of Arkay, Inc. at any time, either with or without prior notice.

Emergency Closings

At times, emergencies such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be unpaid. However, with supervisory approval, employees may use available paid leave time.

J. Time, Attendance and Pay

Work Schedules

Work schedules for employees vary throughout our organization. Employee schedules are directly related to the attendance of the people they work with. There may be days when an employee is sent home early due to the absence of a person served, and coverage is not needed elsewhere.

Flexible scheduling, or flextime, is available in some cases to allow employees to vary their starting and ending times each day within established limits. Flextime may be possible if a mutually

workable schedule can be negotiated with the supervisor involved. However, such issues as staffing needs, the employee's performance, and the nature of the job will be considered before approval of flextime. Employees should consult their supervisor to request participation in the flextime program.

Attendance and Punctuality

To maintain a safe and productive work environment, Arkay, Inc. expects employees to be reliable and to be punctual in reporting for scheduled work. Poor attendance and excessive tardiness are disruptive and will result in disciplinary action.

In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they are required to personally notify management as directed by the Program Director. Employees are expected to directly inform their management that they will be late or absent as soon as it becomes evident, and at least one hour before the start of the scheduled shift. Employees must call each day that they are going to be late or absent. Failure to do so will result in the employee being recorded as "late-no call", or "absent-no call". Any employee who is absent for more than 24 hours without reporting the absence to the supervisor will be considered a "voluntary quit" unless there is a valid emergency. (revised & effective 7/3/2020)

Overtime

When operating requirements or other needs cannot be met during regular working hours, employees will be given the opportunity to volunteer for overtime work assignments. Any overtime work for non-supervisory employees must receive the supervisor's prior written authorization. Non-supervisory employees working 10 hours or more of overtime in a pay period must receive the written approval of the CEO and/or designee. All supervisory employees must receive prior written approval of the CEO and/or designee. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work. All avenues must be exhausted prior to approving overtime. An employee (whether supervisory or non-supervisory) who fails to get prior written authorization for overtime, will be subject to appropriate disciplinary action up to and including termination of employment.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Hours worked over 40 in one-week period are considered overtime. Paid time off, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations. P.T.O. can be used in increments of .25 (quarter hour). Overtime hours are calculated at one and one half times the employee's hourly rate.

Timekeeping

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require Arkay, Inc. to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. The CEO and/or designee should be notified and/or consulted with if overtime work is expected.

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

Paydays

All employees are paid on a bi-weekly basis (every other Friday). Your Program Director has an administrative calendar with due dates for timesheets and paydays.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee may receive his or her earned wages before departing for vacation if a written request is submitted at least one week prior to departing for vacation.

Employees may have pay directly deposited into their bank accounts if they provide advance written authorization to Arkay, Inc. Employees will receive an itemized statement of wages when Arkay, Inc. makes direct deposits.

Pay Advances

There will be no pay advances.

Administrative Pay Corrections

Arkay, Inc. takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the Business Office so that corrections can be made as quickly as possible.

Based on various external and internal factors, Arkay, Inc. may periodically decrease/increase the rate of pay to employees. Management will periodically review increases and/or decreases in pay.

K. Benefits and Paid Time Off - (P.T.O.)

Employee Benefits

Eligible employees at Arkay, Inc. are provided a wide range of benefits.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are currently available to eligible employees' contingent on budget constraints:

- * Bereavement Leave
- * Life Insurance
- * Supplemental Insurance

- * Long-Term Disability
- * Medical Insurance
- * Dental Insurance
- * Vision Plan
- * Retirement Benefits
- * Paid Time-Off Benefits
- * Holiday pay

***Some benefit programs require contributions from the employee.

Paid Time Off Benefits (PTO)

Paid time off includes vacation, sick and personal time.

Paid Time Off (PTO) is designed to give employees time needed away from their everyday work schedule. Arkay, Inc. values its employees and recognizes the need for time off for their family and home life. In addition to normal vacation time, PTO is designed for reasonable personal and family sickness, appointments and other activities of the employee’s choice. This PTO policy complies with the Michigan Paid Medical Leave Act.

Full Time Employees

The amount of PTO time full time employees receives each year increases with the length of their employment as shown in the following schedule:

- 0 – 24 months of continuous employment, the employee is entitled to **10 days** of paid time off each year.
- 25 – 60 months of continuous employment, the employee is entitled to **12 days** of paid time off each year.
- 61 – 120 months of continuous employment, the employee is entitled to **15 days** of paid time off each year.
- 121 months or more of continuous employment, the employee is entitled **20 days** of paid time off each year.

The employee must work 90 days before taking any PTO. The length of eligible service is calculated on the basis of a “benefit” year. This is the 12-month period that begins when the employee starts to earn vacation time. An employee’s benefit year may be extended for any significant leave of absence, except military leave of absence. Military leave has no effect on this calculation.

Once employees enter an eligible employment classification, they begin to accrue paid time off on a monthly basis according to the schedule above. For employees who work less than 8 hours per day, PTO will be prorated to reflect actual scheduled hours or average hours worked. They can request use of time off after 90 days and as it is earned. Earned PTO time cannot be taken before it is accrued and approved.

PTO can be used in minimum increments of .25 (or a quarter hour). To take time off, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

Time off is paid at the employee's base pay rate at the time of leave. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

As stated above, employees are encouraged to use available paid time off for rest, relaxation, and personal pursuits. Planning is essential because unused time will not be paid out in cash. In the event that available time off is left at your anniversary date, you will be given a 30-day grace period in which to use 5 of your remaining PTO days with the approval of the CEO. Should two employees wish to take the same vacation period, the employee with the most seniority will be granted the time. This will be on a first come first serve basis.

Part Time Employees

Part time employees will receive a proportional number of hours based on the number of hours worked compared to a 40-hour work week. Your accrued hours are noted on your paychecks.

Paid time off becomes unavailable once notice of resignation is given. An employee cannot resign, and then use paid time off for their last two weeks of employment. Upon resignation, employees will not be paid any unused PTO time that has been earned through their last day of work. Terminated employees are not eligible to receive payment for unused time.

Holidays

Arkay, Inc. will grant holiday time off to all eligible employees on the holidays listed below:

- Labor Day (first Monday in September)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Thanksgiving (fourth Thursday in November)
- Day after Thanksgiving
- Christmas Eve Day (December 24)
- Christmas Day (December 25)
- New Year's Day (January 1)
- Birthday Off (Must be used within a 2-week period prior to or after a birthday and pre-approved)
- Two Floating Holidays (Must be requested in advance and pre-approved. There is no carryover of floating holidays.)

Arkay, Inc. will grant paid holiday time off to all eligible employees who have completed 90 calendar days of service in an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day.

To be eligible for holiday pay, employees must work the last scheduled day immediately preceding and the first scheduled day immediately following the holiday.

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday. At the time a holiday falls on a weekend, it may make more sense to assign another day off instead. For example, if July 4th is on a Saturday, we may opt to keep July 3rd as a day of service, but give employees Christmas Eve off instead.

Employee Handbook: **Board Approved: 4/28/2016; Amended & Approved 8/8/2019**

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Revised 06/21/2012, 05/03/2013, 06/17/2013, 4/27/16, 4/25/2019, 7/2/2019, 12/5/19, 7/3/2020

Reviewed: 6/21/2012, 5/03/13, 06/17/2014, 6/4/2015, 4/27/2016, 4/20/17, 4/12/2018, 4/25/19, 7/2/2019, 12/5/19

If eligible, nonexempt employees work on a recognized holiday, they will receive holiday pay (hours the employee would otherwise have worked on that day) plus their straight-time rate for the hours worked on the holiday. *Example (i.e.):* If an employee normally would have worked 7 hours on the July 4th holiday and also actually worked 10 hours on the holiday, the employee would be paid 7 hours of holiday pay plus 10 hours of actual work time which would equal 17 paid hours.

Paid time off for holidays will not be counted as hours worked for the purposes of determining whether overtime pay is owed.

Jury Duty

Arkay, Inc. encourages employees to fulfill their civic responsibilities by serving jury duty when required. Arkay, Inc. will compensate the employee for the difference between their reimbursement from the court and what their normal wages would have been on the days absent, for up to five days.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence; minus what they have been paid by the court.

If employees are required to serve jury duty beyond the 5-day period of paid jury duty leave, they may use any available PTO time or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor can make arrangements to accommodate their absence. Of course, employees are expected to report to work whenever the court schedule permits.

Either Arkay, Inc. or the employee may request an excuse from jury duty if the employee's absence would create serious operational difficulties.

Health insurance benefits will continue for the full term of the jury duty absence.

Paid time off and holiday benefits will continue to accrue during unpaid jury duty leave.

Educational Assistance

Arkay, Inc. recognizes that the skills and knowledge of its employees are critical to the success of the organization. The educational assistance program encourages personal development through formal education so that employees can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within Arkay, Inc.

Arkay, Inc. will provide educational assistance to all eligible employees who have completed 365 calendar days of service in an eligible employment classification if and when funds are available. To maintain eligibility employees must remain on the active payroll and be performing their job satisfactorily through completion of each course. Employees in the following employee classification(s) are eligible for educational assistance.

*Regular full-time employees

This program is available only if Arkay's budget allows. Employees should contact the Program Director for more information or questions about educational assistance.

While educational assistance is expected to enhance employee's performance and professional abilities, Arkay, Inc. cannot guarantee that participation in formal education will entitle the employee to automatic advancement, a different job assignment, or pay increases.

Health Insurance

Arkay, Inc. offers a health insurance plan that provides both full-time employees and their dependents access to medical and dental insurance benefits. Your Enrollment Guide will provide all the information you need and clarify your eligibility.

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between Arkay, Inc., the insurance carrier, and the Patient Protection and Affordable Care Act (ACA).

A change in employment classification that would result in loss of eligibility to participate in the health insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) policy for more information.

Details of the health insurance plan are described in the Enrollment Guide. An Enrollment Guide and information on cost of coverage will be provided in advance of enrollment to eligible employees.

Life Insurance

Life insurance offers you and your family important financial protection. Arkay, Inc. provides a basic life insurance plan for full-time employees based on budget constraints. All employees have the opportunity to purchase additional life insurance. Eligible employees may participate in the life insurance plan subject to all terms and conditions of the agreement between Arkay, Inc. and the insurance carrier and budget constraints. Refer to your Benefits Summary packet for information on all available plans.

Family Medical Leave

Arkay, Inc. provides family leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill family obligation relating to childbirth, adoption, or placement of a foster child; or to care for his or her own serious health condition or the serious health condition of a child, spouse, or parent. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider. To be eligible, employees must have worked for Arkay for one year must meet a 1250 hours of service threshold within the rolling 12 months. Leave eligibility will be calculated as of the date leave is to begin. Eligible employees should make request for family leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Employees requesting family leave related to their own or the serious health condition of a child, spouse, or parent may be required to submit health care provider's statement verifying the need for a family leave, its beginning and expected ending dates, and the estimated time required.

Eligible employees may request up to a maximum of 12 weeks of family leave within any 12-month period. Any combination of family leave may not exceed this maximum limit. Employees will be required to first use any accrued paid leave time before taking unpaid family leave. Married employee couples may be restricted to a combined total of 12 weeks leave within any 12-month period for childbirth, adoption, or placement of a foster child; or to care for a parent with a serious health condition.

Benefits accruals, such as paid time off or holiday benefits, will be suspended during the leave and will resume upon return to active employment. So that an employee's return to work can be properly scheduled, an employee on family leave is required to provide Arkay, Inc. with a least two weeks' advance notice of the date the employee intends to return to work. When family leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified. Additional information on FMLA is available from Human Resources.

If an employee fails to return to work on the agreed upon date, Arkay, Inc. will assume that employee has resigned. Additionally, employees who take Family Medical Leave for purposes other than as specified and described by the health care provider will be in violation of Arkay's rules against dishonesty, falsification of documentation and absenteeism and will be subject to discipline up to and including discharge. Employees taking FMLA leave time or taking other leave from Arkay for the purpose of working for another employer will be terminated.

Military Leave

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. Military uniformed service in accordance with the Uniformed Service Employment and Reemployment Right Act (USERRA). Advance notice of military service is required, unless necessity prevents such notice or it is otherwise impossible or unreasonable. The leave will be unpaid. However, employees may use any available paid time off for their absence.

Employees on military leave may elect to continue health insurance benefits coverage at their own expense. The maximum period for such coverage under such election shall be the lesser of (a) the 24-month period beginning on the date on which the employee's absence begins; or (b) the day after the date on which the employee fails to apply for a return to a position for employments determined under Section 4312(3) of USERRA. Paid time off and holiday benefits will continue to accrue during a military leave of absence. USERRA does not require accrual of benefits during leave. It simply requires that employees who return to work be at the same level of benefits based on seniority as if they had remained continuously employed. Employees on military leave for up to 30 days are required to return for the first regularly scheduled shift after the end of the service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement with USERRA and all applicable state laws.

Employees returning from military leave, either completing their service or honorably discharged, will be placed in the position they have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service. Contact the Business Office for more information or questions about military leave.

Compassionate Leave

Employees of Arkay shall be granted up to three working days with pay due to a death in their immediate family (mother, father, sister, brother, spouse/partner, children, in-laws, grandparent, and grandchildren). The CEO may consider special cases on an individual basis.

Workers Compensation

Arkay, Inc. provides a comprehensive worker's compensation insurance program at no cost to all full and part-time employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately. Payments for medical expenses and lost time at work are determined by state law.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. Failure to report an injury immediately may result in the loss of benefits.

Neither Arkay, Inc. nor the insurance carrier will be liable for the payment of workers compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by Arkay, Inc.

L. Employee Supervision, Training and Evaluation

Employee Supervision

Employees shall communicate with their supervisors on a regular basis to review their activities and discuss concerns about consumers or program operation.

Ongoing In-service Training

Administrators and supervisors shall take reasonable steps to provide for continuing education and staff development for all employees. Continuing education and staff development should address current knowledge and emerging information.

Performance Evaluation

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted annually and at the end of an employee's initial period in any new position. This period, known as the introductory period, allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position. Additional formal performance evaluations are conducted annually on the employee's anniversary date to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Employees may or may not receive a pay raise based upon merit and if the current budget allows. Should an employee receive a promotion or transfer to another job, the date of this occurrence will become the new anniversary date.

The evaluation period or its completion does not grant any expectation of employment for the duration of the evaluation period or beyond (at-will). The evaluation will be in writing and all employees will be expected to sign this evaluation. A copy of this will go into their personnel file.

An evaluation considers:

1. Job understanding—knowledge of procedures and worksheets
2. Job performance
3. Dependability
4. Attitude and willingness
5. Attendance, initiative and effort
6. Ability to perform other functions
7. Experience
8. Conformance to company policies
9. Relationships with other employees
10. Personal conduct record
11. Conditions under which you work
12. Your willingness to ask questions

Progressive Discipline

The purpose for this policy is to state Arkay, Inc.'s disciplinary action for unsatisfactory conduct in the workplace and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with Arkay, Inc. is based on mutual consent and both the employee and Arkay, Inc. have the right to terminate employment at will, with or without cause or advance notice, Arkay, Inc. may use progressive discipline at its discretion.

Employees may be subject to the following four-step discipline process, but any or all of these steps may be skipped depending on the circumstances: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and; still another offense may then lead to termination of employment. Arkay has the right to use any level of discipline, up to and including termination. Progressive discipline will not always be used

Disciplinary action cannot be administered according to an absolute set of rules; decisions must be made based upon the facts of each situation. Depending on the circumstances, any or all of these steps may be bypassed. Behavior affecting the rights or safety of persons served or fellow employees will not be tolerated.

Complaints Against Employees

All complaints against employees from work site supervisors and other interested parties will be thoroughly investigated by Arkay management. Any **founded** complaints from work site supervisors, parents, funding sources, guardians or other interested parties, will result in Disciplinary Action up to and including termination of employment, depending upon the severity of the complaint.

M. Employment Termination

Employment Termination

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated.

- *Resignation-voluntary employment termination initiated by an employee.
- *Discharge-involuntary employment termination initiated by the organization.
- *Layoff-involuntary employment termination initiated by the organization for non-disciplinary reasons.
- *Retirement-voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.

There will be no pay out of unused paid time off upon separation from your employment with Arkay.

Resignation

Resignation is a voluntary act initiated by the employee to terminate employment with Arkay, Inc. Arkay, Inc. requests at least 2 weeks' written resignation from all employees. There will be no pay out of unused paid time off upon separation from your employment with Arkay.

Prior to an employee's departure, an interview may be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits.

Return of Property

Employees are responsible for all Arkay, Inc. property, materials, or written information issued to them or in their possession or control. Employees must return Arkay, Inc. property immediately upon request or upon termination of employment. Failure to return property in acceptable condition, the costs of any items that are not returned when required will be deducted from the employee's paycheck or final paycheck with the employee consent. Arkay, Inc. may also take all action deemed appropriate to recover or protect company property.