



# **Employee Handbook**

## **(SCA Contracts)**

Effective 1 Sep 2014

## **About This Handbook**

The following pages contain information regarding many of the policies and procedures of Just In Time Staffing (hereby referred to as "JITS"). This is not an employment contract and is not intended to create contractual obligations of any kind.

The policies and procedures outlined in this handbook will be applied at the discretion of JITS and JITS reserves the right to deviate from the policies and procedures of this handbook, or to withdraw or change them, at any time. We will notify you when an official change in policy or procedure has been made.

Just In Time Staffing values the many talents and abilities of its employees and seeks to foster an open, cooperative and dynamic environment where employees and the company alike can thrive. If you would like further information or have questions about any of the policies and procedures outlined in this handbook, please feel free to bring them to the attention of Management.

A handwritten signature in black ink, appearing to read "Robert L. Eskridge". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert L Eskridge  
President

## Table of Contents

Standard Employment Practices.....	5
At Will Employment.....	5
Equal Employment Opportunity .....	5
Sexual and Other Unlawful Harassment.....	5
Immigration Law Compliance .....	6
Criminal Convictions .....	6
Standards of Conduct.....	6
General Policies and Procedures .....	7
Orientation.....	7
Reporting Changes.....	7
Job Classifications .....	7
Pay Periods.....	8
Hours of Work.....	8
Time Keeping.....	8
Wage Increases .....	8
Payroll.....	8
Performance Reviews .....	8
Attendance & Punctuality.....	8
Availability for Work .....	9
Mandatory Meetings .....	9
Job Sharing.....	9
Drugs and Alcohol.....	9
Workplace Attire .....	9
Telephone Use .....	9
Personal Property .....	9
Personal Safety .....	10
Conflicts of Interest.....	10
Non-Solicitation .....	10
Competing Employment.....	10
Employment of Relatives .....	10

Leave Policies .....	11
General Policies .....	11
Family and Medical Leave .....	11
Jury Duty .....	11
Forced Closings and Severe Weather .....	11
Employee Benefits .....	12
Types of Benefits .....	12
Benefits Eligibility .....	12
Workers' Compensation .....	12
Disciplinary Policies .....	13
Problem Resolution .....	13
Discipline .....	13
Corrective Action .....	13
Separation Policies .....	14
Job Abandonment .....	14
Termination .....	14
Termination Process .....	14
Employment References .....	14
Appendices .....	15
EXHIBIT A: Overview of the Family and Medical Leave Act .....	15
EXHIBIT B: Overview of Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, the Age Discrimination in Employment Act .....	20
EXHIBIT C: Overview of The Immigration Reform and Control Act .....	21
EXHIBIT D: Employee Rights under the Service Contract Act .....	22
EXHIBIT E: Holiday & Vacation Policy .....	25
EXHIBIT F: Employee Rights under FLSA .....	26
EXHIBIT G: Acknowledgement of Receipt & Understanding .....	27

## **Standard Employment Practices**

### At Will Employment

JITS does not offer tenured or guaranteed employment. Unless JITS has otherwise expressly agreed in writing, your employment is at will and may be terminated by you or by JITS at any time, including after the evaluation period.

### Equal Employment Opportunity

JITS is committed to providing equal employment opportunities to all individuals without regard to race, color, religion, sex, national origin, age, disability, marital status, sexual orientation, or any other characteristic protected by law. For further information about the applicability of Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, the Age Discrimination in Employment Act, see Exhibit D in the Appendices.

JITS does not discriminate on the basis of gender in compensation or benefits for women and men who work in the same establishment and perform jobs that require equal skill, effort, and responsibility and which are performed under similar conditions.

JITS will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. An employee with a disability for which reasonable accommodation is needed should contact Bob Eskridge to discuss possible solutions.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of Bob Eskridge. Employees can raise legitimate concerns and make good faith 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 discharge.

### Sexual and Other Unlawful Harassment

JITS will endeavor to maintain a work environment that nourishes respect for the dignity of each individual. This policy is adopted in furtherance of that tradition.

It is against the policies of JITS for an employee to harass another person because of the person's sex, race, color, religion, national origin, age, disability, sexual orientation, marital status, or other characteristic protected by law. Actions, words, jokes, or comments based on such characteristics will not be tolerated.

Consequently, it is against the policies of JITS for an employee to sexually harass another person. Unwelcome sexual advances, 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 an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or environment.

Any employee who believes that he or she is being unlawfully harassed should immediately contact their supervisor or Belinda Neely.

All complaints of harassment will be promptly, thoroughly and confidentially investigated and, where necessary, appropriate corrective action will be taken. Any person found to have unlawfully harassed another employee will be subject to appropriate disciplinary action, up to and including discharge.

### Immigration Law Compliance

JITS does not hire anyone that is not a citizen of the United States, nor is not a non-citizen that is authorized to work in the U.S under the Immigration Reform and Control Act of 1986. As a condition of employment, all new and past employees must show valid proof that they are eligible to work in the United States. An overview of the Immigration Reform and Control Act can be found at Exhibit D in the Appendices.

### Criminal Convictions

JITS reserves the right not to hire or retain anyone that has been convicted of a criminal offense. Conviction of a crime that involves dishonesty may result in an automatic termination of employment. Before any decision is made, the nature of the crime and circumstances surrounding the conviction will be considered.

### Standards of Conduct

JITS expects that all employees conduct themselves in a professional and ethical manner. An employee should not conduct business that is unethical in any way, nor should an employee influence other employees to act unethically. Furthermore, an employee should report any dishonest activities or damaging conduct to a supervisor.

In the event that you become aware of another employee's behavior or actions, which you believe are inappropriate, illegal, problematic, or in any way inhibit or affect your job performance or the JITS work environment, you should discuss such behavior or actions with the President, Bob Eskridge or other appropriate management personnel.

All reasonable concerns will be promptly, thoroughly and confidentially investigated by JITS and, where necessary, appropriate corrective action will be taken. You should not discuss such actions or behavior with other JITS employees. Your discussing such matters with other employees may – in and of itself – create an unacceptable work environment for which you will be held responsible and for which you may be disciplined in accordance with JITS's disciplinary policy.

# General Policies and Procedures

## Orientation

In accordance with federal law, both new employees and re-hires will be required to provide documentation of identity and eligibility to work in the United States. The I-9 form will be used for this purpose.

New employees will also be given access to the Employee Handbook and will be given the time to read it and ask any clarifying questions. The signed copy of the "Acknowledgement & Receipt of Understanding" will be placed in the employee's personnel file.

## Reporting Changes

You are responsible for promptly notifying Belinda Neely of any change in your name, address, telephone number, marital status, citizenship, tax withholding allowances, emergency contact information, insurance beneficiary, or dependent insurance coverage. Accurate and correct information is vital for benefits and insurance records and other Company files.

Each employee is required to notify Belinda Neely, in advance, of the dates of all approved vacation or leave time to be taken. Additionally, employees are to inform Belinda of sick days taken and excessive lateness in arriving at work.

## Job Classifications

Employees are classified by two major categories: "Exempt" and "Non-exempt." This handbook applies to both Exempt and Non-Exempt employees.

- (1) Exempt employees are generally salaried and fall into one or more of the following four classifications: executive, professional, administrative, or sales. These employees are exempt from the applicable provisions of state and federal wage and hour laws (FLSA).
- (2) Non-exempt employees are eligible to receive overtime pay in accordance with state and federal wage and hour laws (FLSA). These employees are required to submit a time record for each pay period, approved by the appropriate supervisor, for the purpose of tracking hours worked and calculating compensation.

Employees are also classified within one of the following three statuses:

- (1) Full-time: any employee that is regularly scheduled to work 30 hours a week or more. Full-time employees are eligible for standard company benefits.
- (2) Part-time: any employee that is regularly scheduled to work less than 30 hours per week. Part-time employees are not eligible for standard company benefits.
- (3) Temporary: any temporary work that has a predetermined start and end date of employment. Temporary employees are not eligible for standard company benefits.

## Pay Periods

All employees are paid semi-monthly two weeks in arrears for time worked from the 1<sup>st</sup> through the 15<sup>th</sup> to be paid on the 5<sup>th</sup> of the following month and 16<sup>th</sup> through end of the month to be paid on the 20<sup>th</sup> of the following month. When the payday falls on a holiday or a weekend, employees will be paid the following business day

## Hours of Work

JITS's standard work week for full-time employees is five days. Schedules may vary based on the company's needs. Employees may not deviate from the company's hours of work, unless a manager or supervisor specifically approves a request.

## Time Keeping

Nonexempt employees are required to use the time sheet, logging time-in, time-out and any non-compensated breaks and have it signed by a JITS manager or supervisor. It is strictly forbidden for an employee to sign another employee in or out.

## Wage Increases

Wage increases are based on performance or promotion. All wage increases are at the discretion of JITS management.

## Payroll

Both exempt and nonexempt employees will have federal and state taxes withheld from their wages. Payroll checks will not be released prior to the set pay schedule for any reason, nor will they be released to anyone other than the employee without signed authorization. Direct deposit will be required with the exception of final paychecks which will be mailed to the address of record.

## Performance Reviews

Every JITS employee will be subject to a performance appraisal at least once a year. The employee's supervisor will give these reviews. The reviews will focus on job-related strengths and weaknesses, as well as overall fit with the company. Goals and improvement plans will be mapped out each review period and progress will be measured at the next review.

Employees will have the opportunity to thoroughly review all performance appraisals and provide a written opinion. All performance reviews and responses will become part of an employee's personnel file.

## Attendance & Punctuality

Punctuality and regular attendance are important to the smooth operation of JITS. If you are consistently late or excessively absent, JITS's ability to perform work is affected and an unfair burden is placed on your co-workers. Therefore, unless your absence is permitted or excused under JITS's holiday, vacation, sick or other policies, you are responsible for being at work and arriving on time. If you are going to be absent or late, it is your responsibility to call your supervisor as soon as possible, preferably in advance of lateness and no later than one hour after the start of the workday. If you are absent for several days, you must notify your supervisor each day.

An employee who is absent for reasons other than those permitted or excused by JITS's holiday, vacation, or leave policies, or who repeatedly fails to provide notice as required, will be subject to appropriate disciplinary action, up to and including discharge.

#### Availability for Work

Employees must be available for work during normal business hours. If, for any reason, there is a change in your work availability status, you must notify your supervisor at least one week prior to the change.

#### Mandatory Meetings

Employees may be required to attend mandatory team meetings. In the event that a mandatory meeting occurs during an employee's regular work schedule, no overtime will be paid for attendance. This includes employees who may be telecommuting or job sharing.

#### Job Sharing

Employees seeking to reduce their workload or hours may submit a proposal for a job sharing arrangement to their supervisor. The employee asking for the job sharing arrangement will be expected to assist management in finding and training a job sharing partner. Job sharing arrangements must not disrupt the daily activities of a group or workflow. Bob Eskridge must approve all employee job sharing arrangements. No job sharing arrangement will be considered permanent and the policies may be reviewed and altered at any time.

#### Drugs and Alcohol

JITS will not tolerate the use or possession of alcohol or illegal drugs on the job or on company property.

Employees using or possessing alcohol or illegal drugs on company property or while at work or who report to work under the influence of alcohol or illegal drugs will be subject to disciplinary action, up to and including discharge.

#### Workplace Attire

JITS has a business casual environment. Employees are expected to use good judgment and taste and to show courtesy to their co-workers and associates by dressing in a fashion that is presentable and appropriate.

Employees are to dress in appropriate business attire for meetings with clients or vendors at JITS 's offices or other locations.

#### Telephone Use

Telephones are provided to enable employees to carry out work assignments in an efficient manner. Personal telephone calls should be kept to a minimum and personal toll calls should not be made at JITS's expense.

#### Personal Property

JITS does not assume responsibility for any personal property located on the worksite. Employees are to use their own discretion when choosing to bring personal property into the office and do so at

their own risk. Additionally, employees may not bring or display in the office any property that may be reasonably viewed as inappropriate or offensive to others.

### Personal Safety

The safety of each employee's health and security is very important to JITS. JITS is willing to make reasonable efforts to address an employee's safety concerns. Employees should remember to use caution and good judgment in all activities and should notify their supervisor if they believe there is a safety issue that should be addressed.

### Conflicts of Interest

JITS requires that employees not compromise the company, its customers, partners or suppliers for personal gain. Examples of conflict of interest include, but are not limited to, accepting gifts worth more than \$25, requesting or granting favors, or conducting business for personal gain. Employees are required to disclose all conflicts of interest to their JITS supervisor. Failure to do so may result in disciplinary action, up to and including termination.

### Non-Solicitation

During the period of your employment and for a period of twelve (12) months after the termination of your employment with JITS, you shall not, directly or indirectly, (i) solicit for employment or employ any person who was employed by JITS during your employment with JITS; or (ii) call on, solicit, or take away for yourself or for any other person or entity any person or entity who or which was a customer of JITS during your employment with JITS.

### Competing Employment

Due to the highly competitive nature of the industry in which JITS is involved, employees are restricted from certain associations or working arrangements with competing or conflicting organizations. Subject to JITS's prior written approval, you may work for other businesses during the course of your employment with JITS; provided, however, you may not (i) accept or perform work of a nature that conflicts or competes in any way with the business or services of JITS; (ii) use any JITS or client resources including, but not limited to, computer hardware and software, telephones, facsimile machines, and copiers, for or in connection with any non-JITS work; (iii) perform any non-EA work on EA or client premises; or (iv) perform any non-JITS work during normal business hours.

### Employment of Relatives

Employment of relatives is not prohibited by JITS, provided that the following conditions are met:

- (i) the applicant is qualified for the position,
- (ii) the employee and relative will not be in a direct reporting relationship with one another and
- (iii) the personal relationship will not adversely affect the workflow or processes of the company.

## **Leave Policies**

### General Policies

JITS provides Eligible Employees with leaves for a variety of reasons. The following discussion summarizes JITS's leave policies in a way that JITS hopes will be generally helpful. JITS abides by the provisions of the Family and Medical Leave Act, as appropriate. An overview of the Act is set out in Exhibit B in the Appendices. JITS also abides by the Department of labor wage determination schedules specific to your location (See Exhibit C)

As with all policies, JITS reserves the right to revise or rescind these policies at its discretion, subject to legal requirements. This statement of leave policies is not intended to create a contract between JITS and its employees.

To apply for leave, or to inquire into what leave may be available, an employee should contact their JITS supervisor. An employee applying for leave will be asked to state why he/she wants the leave, when he/she wants the leave to begin and when he/she wants the leave to end. The JITS supervisor will inform the employee what type and duration of leave, if any, has been approved and will also tell the employee which requirements, such as certification of a health condition, the employee must fulfill.

All leaves are granted for a specific period of time. An employee who foresees being unable or unwilling to return to work at the end of the leave period should apply for any other leave for which the employee is eligible, including an extension of the current leave. JITS reserves the right to terminate the employment of an employee who does not return to work at the end of the approved leave period.

### Family and Medical Leave

Employees may take unpaid leave per the terms of the Family and Medical Leave Act of 1993. Employees should also be aware that pregnancy is considered a disability and may be eligible for disability benefits under mandatory disability benefits laws of certain states.

### Jury Duty

Employees summoned for jury duty will be allowed the necessary time off from work (vacation can be applied for days on jury duty) to perform this civic responsibility.

### Forced Closings and Severe Weather

Unless notified by your supervisor, you are to report to work on all regularly scheduled days, regardless of weather conditions. If you are unable to report to work due to weather conditions, you must notify your supervisor as soon as possible.

In the event that the company closes due to severe weather conditions or another reason, you will not be required to report to work.

## **Employee Benefits**

The following is a list of benefits that JITS makes available to Eligible Employees. The descriptions in this handbook are a summary only. The separate plan documents explain each benefit in more detail and the language of the plans' documents controls the various plans. Benefits may be modified, added or terminated at any time by the insurance company or benefit provider, per the terms of the plan, or by JITS, at its discretion.

### Types of Benefits

- Health Insurance
- Dental Insurance
- Vision Insurance
- Life Insurance
- Accidental Death & Dismemberment
- Short term disability
- Long Term disability
- 401K

### Benefits Eligibility

Full-time employees are eligible for the benefits (with the exception of 401k) on the first day of the month following 30 days of work. 401K is available after six months. Part-time employees (less than 30 hours per week) are not eligible for these benefits.

### Workers' Compensation

JITS requires that all employees report job-related accidents or injuries to the JITS supervisor immediately, whether the accident occurred on or off client premises. Failure to report an injury, regardless of how minor, could result in difficulty with the employee's claim.

All workers' compensation claims will be paid directly to employees and employees are expected to return to work immediately upon release by their doctor.

## **Disciplinary Policies**

### Problem Resolution

JITS seeks to deal openly and directly with its employees and believes that communication between employees and management is critical to solving problems.

Co-workers that may have a problem with one another should attempt to resolve the problem themselves. If a resolution cannot be agreed upon, both employees should approach their supervisor(s), who will work with the employees to determine a resolution. In these instances, the decision of the supervisor is final.

Employees that have a problem with a supervisor should first go to the supervisor and state the problem. If a resolution cannot be agreed upon, the employee should present his or her problem, in writing, to Bob Eskridge. The decision of the President will be final.

### Discipline

JITS's policy is to attempt to deal constructively with employee performance problems and employee errors. The disciplinary process will be determined by JITS in light of the facts and circumstances of each case. Depending upon the facts and circumstances, the discipline applied may include, among other things, oral or written warnings, probation, suspension without pay, or immediate discharge. Each situation will be considered in light of a variety of factors including, but not limited to, the seriousness of the situation, the employee's past conduct and length of service, and the nature of the employee's previous performance or incidents involving the employee. Details of this process are outlined further in the Corrective Action section below.

### Corrective Action

Corrective Action is taken against an employee in response to a rule infraction or a violation of company policies. Correction action will continue until the violation or infraction is corrected.

Corrective Action usually begins with a verbal warning, followed by a written warning that is placed in the employee's personnel folder. If more serious corrective action is required, the employee may be put on probation, or have his or her employment terminated.

JITS considers some violations as grounds for immediate dismissal, including, but not limited to: insubordinate behavior, theft, destruction of company property, breach of confidentiality agreement, untruthfulness about personal background, drug or alcohol abuse, or threats of violence.

Employees charged with some infraction and subject to corrective action may appeal that corrective action. An appeal must be submitted in writing to Bob Eskridge. If, after reviewing the corrective action, the President determines that the supervisor followed procedures accordingly, the corrective action will stand. If the supervisor has failed to follow company policy, the action may be reversed. The decision of the President is final.

## **Separation Policies**

### Job Abandonment

Employees of JITS that are absent for more than two consecutive days without notifying a direct supervisor are considered to have voluntarily abandoned their employment with the company. The effective date of termination will be the last day the employee reported for work. If an employee abandons a job, he or she will not be entitled to accrued vacation days, unless required by law.

### Termination

JITS does not have tenure or guaranteed employment. You or JITS may terminate your employment at any time for any reason.

Termination may result from any of the following: (i) Corrective action measures, which include infractions for violation of company policies, (ii) layoffs, which include the elimination of an employee's job function or headcount reduction due to redundancy or cost reduction and (iii) involuntary dismissal, which may include poor performance reviews or failure to demonstrate an acceptable attitude in the workplace.

### Termination Process

JITS requires that employees return all documents, files, computer equipment, uniforms, company tools, business credit cards, keys and other company owned property on or before the last day of work. When all company owned property has been collected, the employee will receive his or her final paycheck and any accrued vacation pay, if applicable.

Employees leaving the company will have the option of having an exit interview with Bob Eskridge.

### Employment References

Due to confidentiality considerations, JITS does not provide employment references for former employees. We will provide dates of employment and positions held only.

## Appendices

### EXHIBIT A: Overview of the Family and Medical Leave Act

The U.S. Department of Labor's Employment Standards Administration, Wage and Hour Division, administers and enforces the Family and Medical Leave Act (FMLA) for all private, state and local government employees and some federal employees. Most Federal and certain congressional employees are also covered by the law and are subject to the jurisdiction of the U.S. Office of Personnel Management or the Congress.

FMLA became effective on August 5, 1993, for most employers. If a collective bargaining agreement (CBA) was in effect on that date, FMLA became effective on the expiration date of the CBA or February 5, 1994, whichever was earlier. FMLA entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. The employer may elect to use the calendar year, a fixed 12-month leave or fiscal year, or a 12-month period prior to or after the commencement of leave as the 12-month period.

The law contains provisions on employer coverage; employee eligibility for the law's benefits; entitlement to leave, maintenance of health benefits during leave, and job restoration after leave; notice and certification of the need for FMLA leave; and protection for employees who request or take FMLA leave. The law also requires employers to keep certain records.

#### EMPLOYER COVERAGE

FMLA applies to all:

- Public agencies, including state, local and federal employers, local education agencies (schools) **and**
- Private-sector employers who employed 50 or more employees in 20 or more workweeks in the current or preceding calendar year **and** who are engaged in commerce or in any industry or activity affecting commerce — including joint employers and successors of covered employers.

#### EMPLOYEE ELIGIBILITY

To be eligible for FMLA benefits, an employee **must**:

- Work for a covered employer;
- Have worked for the employer for a total of 12 months;
- Have worked at least 1,250 hours over the previous 12 months; and
- Work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

#### LEAVE ENTITLEMENT

A covered employer must grant an eligible employee up to a total of 12 work-weeks of **unpaid** leave during any 12-month period for one or more of the following reasons:

- For the birth and care of the newborn child of the employee;
- For placement with the employee of a son or daughter for adoption or foster care;
- To care for an immediate family member (spouse, child, or parent) with a serious health condition; **or**
- To take medical leave when the employee is unable to work because of a serious health condition.

Spouses employed by the same employer are jointly entitled to a **combined** total of 12 work-weeks of family leave for the birth and care of the newborn child, for placement of a child for adoption or foster care and to care for a parent who has a serious health condition. Leave for birth and care, or placement for adoption or foster care must conclude within 12 months of the birth or placement.

Under some circumstances, employees may take FMLA leave intermittently — which means taking leave in blocks of time, or by reducing their normal weekly or daily work schedule.

If FMLA leave is for birth and care or placement for adoption or foster care, use of intermittent leave is subject to the employer's approval. FMLA leave may be taken intermittently whenever **medically necessary** to care for a seriously ill family member, or because the employee is seriously ill and unable to work.

Also, subject to certain conditions, employees **or** employers may choose to use accrued **paid** leave (such as sick or vacation leave) to cover some or all of the FMLA leave. The employer is responsible for designating if an employee's use of paid leave counts as FMLA leave, based on information from the employee. "**Serious health condition**" means an illness, injury, impairment, or physical or mental condition that involves either:

1. Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility and any period of incapacity or subsequent treatment in connection with such inpatient care; **or**
2. Continuing treatment by a health care provider which includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities) due to:

A health condition (including treatment therefore, or recovery therefrom) lasting more than three consecutive days and any subsequent treatment or period of incapacity relating to the same condition, that **also** includes:

- Treatment two or more times by or under the supervision of a health care provider; **or**
- One treatment by a health care provider with a continuing regimen of treatment; **or**
- Pregnancy or prenatal care. A visit to the health care provider is not necessary for each absence; **or**
- A chronic serious health condition, which continues over an extended period of time, requires periodic visits to a health care provider and may involve occasional episodes of incapacity (e.g., asthma, diabetes). A visit to a health care provider is not necessary for each absence; **or**

- A permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal cancer). Only supervision by a health care provider is required, rather than active treatment; or
- Any absences to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three days if not treated (e.g., chemotherapy or radiation treatments for cancer).

"Health care provider" means:

1. Doctors of medicine or osteopathy authorized to practice medicine or surgery by the state in which the doctors practice; **or**
2. Podiatrists, dentists, clinical psychologists, optometrists and chiropractors (limited to manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice and performing within the scope of their practice, under state law; **or**
3. Nurse practitioners, nurse-midwives and clinical social workers authorized to practice and performing within the scope of their practice, as defined under state law; **or**
4. Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts; **or**
5. Any health care provider recognized by the employer or the employer's group health plan benefits manager.

#### MAINTENANCE OF HEALTH BENEFITS

A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.

In some instances, the employer may recover premiums it has paid to maintain health coverage for an employee who fails to return to work from FMLA leave.

#### JOB RESTORATION

Upon return from FMLA leave, an employee must be restored to the employee's original job, or to an equivalent job with equivalent pay, benefits and other terms and conditions of employment.

In addition, an employee's use of FMLA leave cannot result in the loss of any employment benefit that the employee earned or was entitled to **before** using FMLA leave, nor be counted against the employee under a "no fault" attendance policy.

Under specified and limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, an employer may refuse to reinstate certain highly-paid "**key**" employees after using FMLA leave during which health coverage was maintained. In

order to do so, the employer must:

- Notify the employee of his/her status as a "key" employee in response to the employee's notice of intent to take FMLA leave;
- Notify the employee as soon as the employer decides it will deny job restoration and explain the reasons for this decision;
- Offer the employee a reasonable opportunity to return to work from FMLA leave after giving this notice; **and**
- Make a final determination as to whether reinstatement will be denied at the end of the leave period if the employee then requests restoration.

A "**key**" employee is a salaried "eligible" employee who is among the highest paid ten percent of employees within 75 miles of the work site.

### NOTICE AND CERTIFICATION

Employees seeking to use FMLA leave are required to provide 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. Employers may also require employees to provide:

- Medical certification supporting the need for leave due to a serious health condition affecting the employee or an immediate family member;
- Second or third medical opinions (at the employer's expense) and periodic recertification; **and**
- Periodic reports during FMLA leave regarding the employee's status and intent to return to work.

When intermittent leave is needed to care for an immediate family member or the employee's own illness and is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the employer's operation.

Covered employers must post a notice approved by the Secretary of Labor explaining rights and responsibilities under FMLA. An employer that willfully violates this posting requirement may be subject to a fine of up to \$100 for each separate offense.

Also, covered employers must inform employees of their rights and responsibilities under FMLA, including giving specific written information on what is required of the employee and what might happen in certain circumstances, such as if the employee fails to return to work after FMLA leave.

### UNLAWFUL ACTS

It is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided by FMLA. It is also unlawful for an employer to discharge or discriminate against any individual for opposing any practice, or because of involvement in any proceeding, related to FMLA.

## ENFORCEMENT

The Wage and Hour Division investigates complaints. If violations cannot be satisfactorily resolved, the U.S. Department of Labor may bring action in court to compel compliance. Individuals may also bring a private civil action against an employer for violations.

## OTHER PROVISIONS

Special rules apply to **employees of local education agencies**. Generally, these rules provide for FMLA leave to be taken in blocks of time when intermittent leave is needed or the leave is required near the end of a school term.

Salaried executive, administrative and professional employees of covered employers who meet the Fair Labor Standards Act (FLSA) criteria for exemption from minimum wage and overtime under Regulations, 29 CFR Part 541, do not lose their FLSA-exempt status by using any unpaid FMLA leave. This special exception to the "salary basis" requirements for FLSA's exemption extends only to "eligible" employees' use of leave required by FMLA.

The FMLA does not affect any other federal or state law, which prohibits discrimination, nor supersede any state or local law which provides greater family or medical leave protection. Nor does it affect an employer's obligation to provide greater leave rights under a collective bargaining agreement or employment benefit plan. The FMLA also encourages employers to provide more generous leave rights.

## **EXHIBIT B: Overview of Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, the Age Discrimination in Employment Act**

The EEOC enforces the following laws:

- **Title VII of the Civil Rights Act of 1964 (Title VII)** - prohibits race, color, religion, sex and national origin discrimination. Title VII applies to employers with fifteen (15) or more employees.
- **Age Discrimination in Employment Act of 1967 (ADEA)** - prohibits age discrimination against individuals who are forty (40) years of age or older. The ADEA applies to employers with twenty (20) or more employees.
- **Title I of the Americans with Disabilities Act of 1990 (ADA)** - prohibits employment discrimination against qualified individuals with disabilities. The ADA applies to employers with fifteen (15) or more employees.
- **Equal Pay Act of 1963 (EPA)** - prohibits wage discrimination between men and women in substantially equal jobs within the same establishment. The EPA applies to most employers with one or more employees.

These laws prohibit employment discrimination based on race, color, sex, religion, national origin, age, disability and prohibit retaliation for opposing job discrimination, filing a charge, or participating in proceedings under these laws.

A business is covered by the EEOC laws if:

- All employees, including part-time and temporary workers, are counted for purposes of determining whether an employer has a sufficient number of employees.
- An employee is someone with whom the employer has an employment relationship. The existence of an employment relationship is most easily shown by a person's appearance on the employer's payroll, but this alone does not necessarily answer the question. Determining whether an employer has enough employees to be covered by these laws is, ultimately, a legal question.

Independent contractors are not counted as employees. Determining whether an individual is, under the law, an independent contractor, also is a legal question that may not be as easy to answer as you might think. If you are unsure whether a business or individual is covered, you may wish to consult with an attorney.

The following may file a charge of discrimination with the EEOC:

- Anyone who believes that his or her employment rights have been violated because of race, color, sex, religion, national origin, age, disability or because of retaliation may file a charge of discrimination with EEOC. By law, EEOC must accept the filing of a charge.

In most geographic areas, a charge must be filed with EEOC within 300 days from the date of the alleged discrimination. In a very small number of areas where a state or local employment discrimination law does not apply, a charge must be filed within 180 days.

## **EXHIBIT C: Overview of The Immigration Reform and Control Act**

The Immigration Reform and Control Act of 1986 (IRCA) makes it unlawful for an employer to hire any person who is not legally authorized to work in the United States and it requires employers to verify the employment eligibility of all new employees.

IRCA also prohibits discrimination in hiring and discharge based on national origin (as does Title VII) and on citizenship status. IRCA's anti-discrimination provisions are intended to prevent employers from attempting to comply with the Act's work authorization requirements by discriminating against foreign-looking or foreign-sounding job applicants.

- IRCA's anti-discrimination provisions apply to smaller employers than those covered by EEOC-enforced laws.
- IRCA's national origin discrimination provisions apply to employers with between 4 and 14 employees (who would not be covered by Title VII).
- IRCA's citizenship discrimination provisions apply to all employers with at least 4 employees.
- IRCA is enforced by the U.S. Department of Justice. For information on IRCA's anti-discrimination provisions, contact:

**United States Department of Justice  
Office of Special Counsel for Immigration-Related  
Unfair Employment Practices  
(800) 255-8155 (employer hotline/voice)  
(800) 237-2515 (TDD)**

**EXHIBIT D: Employee Rights under the Service Contract Act**

# EMPLOYEE RIGHTS ON GOVERNMENT CONTRACTS

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

This establishment is performing Government contract work subject to (check one)

- SERVICE CONTRACT ACT (SCA)** or  
 **PUBLIC CONTRACTS ACT (PCA)**

**MINIMUM WAGES** Your rate must be no less than the Federal minimum wage established by the Fair Labor Standards Act (FLSA).

A higher rate may be required for SCA contracts if a wage determination applies. Such wage determination will be posted as an attachment to this Notice.

**FRINGE BENEFITS** SCA wage determinations may require fringe benefit payments (or a cash equivalent). PCA contracts do not require fringe benefits.

**OVERTIME PAY** You must be paid 1.5 times your basic rate of pay for all hours worked over 40 in a week. There are some exceptions.

**CHILD LABOR** No person under 16 years of age may be employed on a PCA contract.

**SAFETY & HEALTH** Work must be performed under conditions that are sanitary, and not hazardous or dangerous to employees' health and safety.

**ENFORCEMENT** Specific DOL agencies are responsible for the administration of these laws. To file a complaint or obtain information: Contact the Wage and Hour Division by calling its toll-free help line at 1-866-4-USWAGE (1-866-487-9243), or visit its Web site at [www.wagehour.dol.gov](http://www.wagehour.dol.gov).

Contact the Occupational Safety and Health Administration (OSHA) by calling 1-800-321-OSHA (1-800-321-6742), or visit its Web site at [www.osha.gov](http://www.osha.gov).

For additional information:



**1-866-4-USWAGE**   
(1-866-487-9243) TTY: 1-877-889-5627  
U.S. Wage and Hour Division

**WWW.WAGEHOUR.DOL.GOV**

U.S. Department of Labor | Employment Standards Administration | Wage and Hour Division

WHD Publication 1313 (Revised April 2009)

# U.S. Department of Labor

The purpose of the discussion below is to advise contractors which are subject to the Walsh-Healey Public Contracts Act or the Service Contract Act of the principal provisions of these acts.

## Walsh-Healey Public Contracts Act

**General Provisions** — This act applies to contracts which exceed or may exceed \$10,000 entered into by any agency or instrumentality of the United States for the manufacture or furnishing of materials, supplies, articles, or equipment. The act establishes minimum wage, maximum hours, and safety and health standards for work on such contracts, and prohibits the employment on contract work of convict labor (unless certain conditions are met) and children under 16 years of age. The employment of homeworkers (except homeworkers with disabilities employed under the provisions of Regulations, 29 CFR Part 525) on a covered contract is not permitted.

In addition to its coverage of prime contractors, the act under certain circumstances applies to secondary contractors performing work under contracts awarded by the Government prime contractor.

All provisions of the act except the safety and health requirements are administered by the Wage and Hour Division.

**Minimum Wage** — Covered employees must currently be paid not less than the Federal minimum wage established in section 6(a)(1) of the Fair Labor Standards Act.

**Overtime** — Covered workers must be paid at least one and one-half times their basic rate of pay for all hours worked in excess of 40 a week. Overtime is due on the basis of the total hours spent in all work, Government and non-Government, performed by the employee in any week in which covered work is performed.

**Child Labor** — Employers may protect themselves against unintentional child labor violations by obtaining certificates of age. State employment or age certificates are acceptable.

**Safety and Health** — No covered work may be performed in plants, factories, buildings, or surroundings or under work conditions that are unsanitary or hazardous or dangerous to the health and safety of the employees engaged in the performance of the contract. The safety and health provisions of the Walsh-Healey Public Contracts Act are administered by the Occupational Safety and Health Administration.

**Posting** — During the period that covered work is being performed on a contract subject to the act, the contractor must post copies of Notice to Employees Working on Government Contracts in a sufficient number of places to permit employees to observe a copy on the way to or from their place of employment.

**Responsibility for Secondary Contractors** — Prime contractors are liable for violations of the act committed by their covered secondary contractors.

## Service Contract Act

**General Provisions** — The Service Contract Act applies to every contract entered into by the United States or the District of Columbia, the principal purpose of which is to furnish services in the United States through the use of service employees. Contractors and subcontractors performing on such Federal contracts must observe minimum wage and safety and health standards, and must maintain certain records, unless a specific exemption applies.

**Wages and Fringe Benefits** — Every service employee performing any of the Government contract work under a service contract in excess of \$2,500 must be paid not less than the monetary wages, and must be furnished the fringe benefits, which the Secretary of Labor has determined to be prevailing in the locality for the classification in which the employee is working or the wage rates and fringe benefits (including any accrued or prospective wage rates and

fringe benefits) contained in a predecessor contractor's collective bargaining agreement. The wage rates and fringe benefits required are usually specified in the contract but in no case may employees doing work necessary for the performance of the contract be paid less than the minimum wage established in section 6(a)(1) of the Fair Labor Standards Act.

Service contracts which do not exceed \$2,500 are not subject to prevailing rate determinations or to the safety and health requirements of the act. However, the act does require that employees performing work on such contracts be paid not less than the minimum wage rate established in section 6(a)(1) of the Fair Labor Standards Act.

**Overtime** — The Fair Labor Standards Act and the Contract Work Hours Safety Standards Act may require the payment of overtime at time and one-half the regular rate of pay for all hours work on the contract in excess of 40 a week. The Contract Work Hours Safety Standards Act is more limited in scope than the Fair Labor Standards Act and generally applies to Government contracts in excess of \$100,000 that require or involve the employment of laborers, mechanics, guards, watchmen.

**Safety and Health** — The act provides that no part of the services in contracts in excess of \$2,500 may be performed in buildings or surroundings or under working conditions, provided by or under the control or supervision of the contractor or subcontractor, which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish the services. The safety and health provisions of the Service Contract Act are administered by the Occupational Safety and Health Administration.

**Notice to Employees** — On the date a service employee commences work on a contract in excess of \$2,500, the contractor (or subcontractor) must provide the employee with a notice of the compensation required by the act. The posting of the notice (including any applicable wage determination) contained on the reverse in a location where it may be seen by all employees performing on the contract will satisfy this requirement.

**Notice in Subcontracts** — The contractor is required to insert in all subcontracts the labor standards clauses specified by the regulations in 29 CFR Part 4 for Federal service contracts exceeding \$2,500.

**Responsibility for Secondary Contractors** — Prime contractors are liable for violations of the act committed by their covered secondary contractors.

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**Other Obligations** — Observance of the labor standards of these acts does not relieve the employer of any obligation he may have under any other laws or agreements providing for higher labor standards.

**Additional Information** — Additional Information and copies of the acts and applicable regulations and interpretations may be obtained from the nearest office of the Wage and Hour Division or the National Office in Washington D.C. Information pertaining to safety and health standards may be obtained from the nearest office of the Occupational Safety and Health Administration or the National Office in Washington, D.C.

U.S. Department of Labor  
Employment Standards Administration  
Wage and Hour Division

U.S. GOVERNMENT PRINTING OFFICE: 1996 - 421-004/59075

## **EXHIBIT E: Holiday & Vacation Policy**



www.jitstaffing.com

### **HOLIDAY & VACATION POLICY**

(effective: 30 Sep 2014)

#### **Holidays**

The following are paid holidays for eligible employees:

- New Year's Day
- Martin Luther King Jr Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving Day
- Christmas Day

Note: JITS will make reasonable efforts to accommodate holidays pertaining to an employee's established beliefs that are not included in the above list. Employees should speak with their supervisors to obtain approval for taking time off to observe such holidays.

#### **Vacations**

Vacation time is offered to full-time eligible employees based on a 'Years of Service' schedule, as outlined below:

- 1 - 9 years of service: Two weeks (10 working days) per year, received on your anniversary date.
- 10 - 19 years: Three weeks (15 working days) per year, received on your anniversary date.
- 20 years+: Four weeks (20 working days) per year, received on your anniversary date.

Vacation time must be scheduled and approved in advance by your supervisor. JITS will not carryover unused vacation, it will be paid out according to Department Of Labor regulations.

An authorized company holiday that falls on a normal business day during your vacation is not counted as a vacation day.

When given advance notice, JITS will consider requests for additional time without pay. If you have a special type of vacation in mind, talk to your supervisor to see if a solution can be reached.

595 Round Rock West Dr. Suite 406, Round Rock, TX 78681 | 855.264.5230 | (F) 855.265.3364

EXHIBIT F: Employee Rights under FLSA

# EMPLOYEE RIGHTS UNDER THE FAIR LABOR STANDARDS ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

## FEDERAL MINIMUM WAGE

# \$7.25 PER HOUR

BEGINNING JULY 24, 2009

- OVERTIME PAY** At least 1½ times your regular rate of pay for all hours worked over 40 in a workweek.
- CHILD LABOR** An employee must be at least **16** years old to work in most non-farm jobs and at least **18** to work in non-farm jobs declared hazardous by the Secretary of Labor.
- Youths **14** and **15** years old may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs under the following conditions:
- No more than**
- **3** hours on a school day or **18** hours in a school week;
  - **8** hours on a non-school day or **40** hours in a non-school week.
- Also, work may not begin before **7 a.m.** or end after **7 p.m.**, except from June 1 through Labor Day, when evening hours are extended to **9 p.m.** Different rules apply in agricultural employment.
- TIP CREDIT** Employers of "tipped employees" must pay a cash wage of at least \$2.13 per hour if they claim a tip credit against their minimum wage obligation. If an employee's tips combined with the employer's cash wage of at least \$2.13 per hour do not equal the minimum hourly wage, the employer must make up the difference. Certain other conditions must also be met.
- ENFORCEMENT** The Department of Labor may recover back wages either administratively or through court action, for the employees that have been underpaid in violation of the law. Violations may result in civil or criminal action.
- Employers may be assessed civil money penalties of up to \$1,100 for each willful or repeated violation of the minimum wage or overtime pay provisions of the law and up to \$11,000 for each employee who is the subject of a violation of the Act's child labor provisions. In addition, a civil money penalty of up to \$50,000 may be assessed for each child labor violation that causes the death or serious injury of any minor employee, and such assessments may be doubled, up to \$100,000, when the violations are determined to be willful or repeated. The law also prohibits discriminating against or discharging workers who file a complaint or participate in any proceeding under the Act.
- ADDITIONAL INFORMATION**
- Certain occupations and establishments are exempt from the minimum wage and/or overtime pay provisions.
  - Special provisions apply to workers in American Samoa and the Commonwealth of the Northern Mariana Islands.
  - Some state laws provide greater employee protections; employers must comply with both.
  - The law requires employers to display this poster where employees can readily see it.
  - Employees under 20 years of age may be paid \$4.25 per hour during their first 90 consecutive calendar days of employment with an employer.
  - Certain full-time students, student learners, apprentices, and workers with disabilities may be paid less than the minimum wage under special certificates issued by the Department of Labor.



For additional information:

# 1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-6627

# WWW.WAGEHOUR.DOL.GOV



U.S. Department of Labor | Wage and Hour Division

WHD Publication 1088 (Revised July 2009)

**EXHIBIT G: Acknowledgement of Receipt & Understanding**

I hereby certify that I have read and fully understand the contents of this Employee Handbook. I also acknowledge that I have been given the opportunity to discuss any policies contained in this handbook with a company official. I agree to abide by the policies set forth in this handbook and understand that compliance with JITS's rules and regulations is necessary for continued employment. My signature below certifies my knowledge, acceptance and adherence to the company's policies, rules and regulations.

I acknowledge that the company reserves the right to modify or amend its policies at any time, without prior notice. These policies do not create any promises or contractual obligations between this company and its employees.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_