



PHC Northwest

EMPLOYEE HANDBOOK

Employee Handbook

Policies/Procedures/Work Rules/Benefits

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Introduction

Your Handbook

Your employee handbook summarizes the policies, procedures and benefits of PHC Northwest. The objective of this handbook is to provide each employee with important information that may make his/her employment with PHC rewarding and productive.

This handbook is an informational document and does not constitute a contract of employment, either expressed or implied, between the employee and the Company. The policies and procedures of PHC are subject to change at any time, with or without notice, and management reserves this right. Additionally, your employment at PHC is “at will,” which means that either PHC or the employee can terminate the employment relationship at any time with or without cause. We encourage all employees to read this handbook and to keep it for future reference. If you have any questions regarding this handbook, you should ask your supervisor or a representative from HR.

Because we are constantly re-evaluating policies and benefits, some policies and benefit programs currently in effect may be changed, suspended, or eliminated in response to business needs or changing legal requirements. Therefore, this handbook may change from time to time, with or without notice. All employees are required to sign at the beginning of their employment certain policies/procedures, some of which are indicated in this Handbook, others are not.

Some policies/procedures noted in this handbook are designated as an overview.

No company policy or procedure shall be interpreted or applied in such a way as to deprive an employee’s rights protected by federal, state, or local law, including without limitations the National Labor Relations Act.

NOTE: Parts of this handbook may be superseded by an applicable Collective Bargaining Agreement (CBA). All Benefits/Wages negotiated by the union and PHC are stated in the CBA.

Company Profile

PHC Northwest is an Oregon Qualified Rehabilitation Facility (QRF) and participates in the JWOD program to access business/Federal government. PHC delivers contracted service in custodial, landscaping, light industry and administrative services. According to the Portland Business Journal, PHC is the sixth largest non-profit organization in the region. PHC is not affiliated with any social service agency. Funding from government sources constitutes less than 2% of our annual operating budget. PHC operates on a sound business principle. “Deliver consistent high quality reliable service and the work will follow.”

Our Mission

Our mission is to train and employ people with disabilities.

Our Values

We reject the stigma and prejudice that have disadvantaged people with disabilities for so long; we are ambitious and will build our business as large and diverse as we can manage; we will always aim to be the best in the business lines that we develop; our business models must improve the lives of our employees not just satisfy the needs of the business; and we take responsibility for our actions and seek to always improve.

At-Will Employment

Employment with PHC is on an at-will-basis. Either the company or the employee may terminate the employment relationship at any time, with or without notice or reason, unless expressly prohibited by law. Nothing in this handbook or in any document or statement other than written collective bargaining agreements shall limit the right to terminate employment at-will. No manager, supervisor, or employee of PHC has any authority to enter into any agreement for employment for any specified period of time or to make any agreement for employment other than at-will. Only the President of PHC has the

authority to make any such agreement and, then only in writing.

Introductory Period: Although, your employment is at-will and will continue until terminated by either party for any reason, with or without notice, The Introductory Period is a time for you to familiarize yourself with PHC and our policies and procedures, as well as a time for PHC to determine whether you are a good fit for your position and the organization. After the 6 month introductory period you will be considered a regular employee with certain benefit rights, (see benefits section). Successful completion of the introductory period does not change the “at will” nature of your employment at PHC.

Equal Opportunity Employment

Non-Discrimination

Since the beginning PHC has operated according to the guiding principles of trust, integrity, ethics, character, and value. These core values have formed the foundation for PHC’s successful history and are the building blocks for our future. These values are not only important in our relationships with our customers and suppliers, but they are critical in our relationships with our employees. None of our success would have been possible without the combined efforts of our employees, who come from many diverse backgrounds.

PHC is committed to providing equal opportunity and fair treatment to all employees and applicants for employment. We will take appropriate action to ensure that employees are hired, compensated, trained and promoted, and otherwise treated on the basis of individual merit. All employment decisions are to be made in such a way as to further the principle of equal opportunity.

Consistent with PHC’s commitment to employ persons with disabilities, it is PHC’s objective to maintain a work force at all levels which is representative of the available work force in the community in which PHC operates.

Through responsible supervisors and managers, PHC will recruit, hire, train and promote persons in all job titles without regard to protected status,

including but not limited to race, color, religion, gender, sexual orientation, national origin, veteran status, or disability (unless a disability cannot be reasonably accommodated).

Supervisors and managers shall ensure that all other aspects of an employee’s employment will be administered without regard to race, color, religion, gender, sexual orientation, national origin, veteran status, disability or other protected status as defined by federal, state or local law or ordinance.

PHC prohibits harassment on the basis of race, color, religion, sex, national origin, disability, age, and any other protected class. PHC prohibits any form of retaliation against an individual for filing a charge of discrimination, participating in an investigation, or opposing discriminatory practices. *PHC’s retaliation policy on page 17*

Americans with Disabilities Act

PHC will not discriminate against any qualified individual with a disability in regard to job applications procedures, the hiring or discharging process, compensation, advancement, job training, and other terms, conditions and privileges of employment. PHC will make reasonable accommodations in response to the disability requirement of our employees unless such accommodations would impose undue hardship on our business.

Immigration Reform & Control Act of 1986

In accordance with law, only American citizens and aliens who are authorized to work in the United States are eligible for employment; therefore, proof of eligibility must be provided by all employees within the time frame established by federal law.

Work Environment/Open Door Policy

At PHC, we realize that people are our most important asset. We respect each individual and treat him/her as a customer and a partner. We believe that the diversity of our employees is one of our greatest strengths. An inclusive

environment enhances our efforts as we work to find solutions for our customers and employees. Each of our customers, employees, and the communities we serve has differing views. They trust that we take these views into account as we plan our business. We encourage open communication at all times and know that the most successful business organizations are those where ideas flow from the bottom to the top of the organization. We know that the best communicators are the best listeners, and when our employees speak, we listen.

Our management team believes that we have an obligation to attempt to develop and help all employees improve their skills. In doing this, we make people winners and prepare them for positions of greater responsibility. We want all PHC employees to act professionally, to work hard, to have fun, to take pride in their accomplishments, and to feel they are part of our family.

What this means is that the door is always open at PHC. If an employee has something to tell us, someone will always have the time to listen. It's our way of operating.

PHC Policies & Procedures

Background/Security Clearance

Prior to employment with PHC, you will be required to authorize a job-related background verification check. A comprehensive background check may consist of prior employment verification, professional references, education confirmation, and will consist of criminal history for all employees. Giving false information or not passing any of these required background criminal and security checks will be grounds for rejection or termination of employment.

Many of our customer worksites require you to complete a separate background criminal history check for security clearance to their building, worksite. In order to be employed with PHC you must successfully pass all background, criminal and security clearances. PHC's employment application and customer contract security clearance application completed by you must be accurate, true and not misleading in any way.

False information is grounds for immediate termination/rejection of employment. As appropriate, a credit check and/or health examination may also be required. Criminal history checks and security clearances are not restricted or limited by a certain number of years and are inclusive of all adult years.

While employed by PHC, the Company may perform background checks on an annual base. As a condition of continued employment, employees of PHC must authorize a criminal background check on an annual basis; failure to authorize the required background check may result in termination. Additionally, while employed by PHC, employees are required to report to Human Resources any present, past, or future allegations of criminal activities, criminal investigations, arrest, and/or convictions involving the employee. Failure to timely report such information will result in discipline up to and including termination.

Orientation Program

When entering PHC, new employees take part in an orientation to introduce them to the Company and to make their transition a pleasant one. This is the time where you receive information regarding your employment including; personnel policies and procedures, and information about your benefits. This is also the time we encourage you to ask questions about your benefits and any information you may need in order for you to have a successful working relationship.

Job Posting

PHC promotes employee development, advancement and morale through its policy of posting open positions. All new or vacant positions are posted on the PHC's website until the positions are filled.

Interested employees may apply for any posted position provided they have a satisfactory level of performance. Unless there is compelling circumstances, employees are generally not considered for positions until they have completed 6 months of employment in their current position. Employees are encouraged to work closely with

their supervisors to outline a development plan to achieve their long-term and short-term career goals.

You must complete the PHC application form to apply for posted positions, which can be obtained from Human Resources. However, the submission of an application does not guarantee an interview for the posted position. To apply for another position at PHC, an employee must inform his/her supervisor prior to submitting an application.

Personal Conduct

PHC seeks to promote an honest, efficient, and safe working environment for all employees and also seeks to protect Company property, equipment, and operations, as well as our customer's best interest. Each of the following may result in disciplinary action up to and including termination of employment.

Termination without previous warning may be used in cases where the infraction or incident warrants immediate termination in conjunction with PHC's policies. These disciplinary rules do not constitute a contract, and are guidelines only. PHC reserves the right to employ at will and to thus deviate from these rules, skip stages of discipline, and impose any form of discipline it believes is appropriate under the circumstances.

- Theft, pilferage or unauthorized concealment or removal of company/customer/tenant assets.
- Willful damage or negligence to or destruction of company/customer/tenant property/assets.
- Unauthorized possession of explosives, firearms, knives or weapons of any kind.
- Discourtesy or impatience toward or a lack of attention to customers of the Company or to the public at large.
- Gambling on the job, the use of abusive or derogatory language, fighting, indecent behavior or the commission of any illegal or immoral act whether or not such illegal or immoral act has a direct adverse effect on employment.
- Failure to perform work as assigned or directed or the willful disregard or

violation of any safety, health, fire or security rules or regulations.

- Repeated tardiness or absence from work; the failure to inform his/her supervisor of an absence within a reasonable time (preferably 4 hours before shift); falsification of any time, production, or business record; or the commission of any other dishonest or deceitful act.
- Insubordinate conduct, to include false statements, or refusal to follow any reasonable directive given by his/her supervisor.
- Loss of customer's master keys, including (master) key card, key fob or copying of customer's keys or giving information regarding customer's security system or code except as expressly authorized by an employee's supervisor on a need-to-know bases. Any type of customer building security breach. Violation of the building access and security policy.
- Falsifying any report, records or applications, including personnel, expense or other records.
- Fighting or causing bodily injury to another including; pushing, slapping, hitting or threatening violence in the workplace.
- Discrimination, or harassment, based upon race, color, religion, national origin, age, gender, physical handicap, veteran status, marital status, lifestyle or sexual preference.
- Sexual harassment or violation of PHC's harassment policy or any other PHC policy.
- Use of any alcohol or any drug, legal or illegal, which adversely affects the ability to perform the duties and responsibilities of the job.
- Possession, transfer, sales of or use of illegal drugs or alcohol on Company property, or during work hours.
- Sleeping on the job.
- Smoking in PHC vehicles/worksites in or around non-smoking worksites, customer's campus areas that are non-smoking.

- Disrespectful conduct toward a customer, tenant or another PHC employee.
- The use of customer equipment is prohibited, including phones, fax, copy machines, computers, and other equipment not authorized by PHC.
- Speaking to Tenants/Residents and/or Customers regarding PHC business, fellow employees, or making any derogatory statements. Keep personal information about yourself to a minimum. Asking to borrow money from a customer/tenant is prohibited.
- Talking about the Tenants/Resident's personal information and/or the Customer's business or their employees, making derogatory statements. Breaching confidentiality regarding Tenants/Residents, or the customer and/or their business is prohibited.
- If your job includes driving personal or PHC vehicles, you are to immediately report all accidents and traffic-related citations on or off the job to your supervisor.
- Employees are prohibited from having visitors at work locations or to allow persons without the proper security clearances to enter secured areas. Employees are responsible for the security of their workplace and the building keys in their possession. Employees must report all violations of security or suspicious activity to his/her supervisor or Security immediately. Employees must follow security rules at his/her worksite.

Company property includes all land, property, buildings, structures, installation, cars, trucks, or any other means being utilized for Company affairs. This also includes contracted customer sites.

The foregoing list is not all-inclusive. PHC reserves the right to discipline or discharge employees, with or without notice, for one or more of the previously stated violations, or any other action that is contrary to the Company's policies

or procedures, whether or not they are set forth in this Handbook or in any other publications.

Clerical contracted employees receive additional rules and expectations as part of their job, all PHC and contracted rules and expectations are to be followed.

Disciplinary action may include counsel, verbal warning, written warning, probation, suspension and/or immediate termination. Our company believes that a successful business depends upon each employee's commitment to be responsible for his/her behavior.

Counseling: Is generally used as a tool to remind an employee about minor attendance or performance issues.

Verbal Warning: Verbal warnings are typically used when an employee behaves in a manner that is inconsistent with the Company's policies or expectations, or if an employee demonstrates a lack of commitment to the Company or Customer. The employee's supervisor will discuss the employee's behavior and/or attitude with the employee including PHC's expectations of appropriate, responsible, committed behavior.

Written Warning: when a verbal warning has not resulted in a decision to change behavior, or when behavior, performance, or rude, offensive or disrespectful attitude so warrants, PHC will typically issue a written warning. In most circumstances, a supervisor will meet with the employee to discuss the employee's action, performance and commitment to the Company and to invite the employee to present his/her views on the behavior/performance. The warning will usually advise the employee that a decision not to live up to his/her responsibilities in the workplace may result in further discipline.

Final Written Warning: When the written warning has not resulted in a change in behavior, or when behavior, performance or rude, offensive, or disrespectful attitude so warrants, a final written warning will be issued. A supervisor will meet with the employee to discuss the employee's unsatisfactory behavior attitude, and/or performance. In most instances, the warning will advise the employee that a decision not to live up

to his/her responsibility in the workplace may result in termination of employment.

Suspension: A suspension is generally used when an employee's performance, behavior or actions requires and investigatory suspension. The time may or may not be paid pending the outcome of the investigation.

Termination: If an employee fails to improve his or her behavior or actions to the Company's expectations, or fails to perform up to the Company's standards, termination may result. The company reserves the right to terminate employees at any time, for no reason or for any reason not expressly prohibited by law.

Use of this process is optional and the steps outlined here may or may not be followed in any particular order or in any order at all. In PHC's determinations, certain behaviors and violations may warrant immediate termination. Nothing in this policy amends or restricts the company's right to terminate employees at any time, with or without notice, for any or no reason.

Attendance Policy

Attendance has special significance at PHC Northwest. Unapproved absences are costly and disruptive to PHC operations. As a PHC employee, you are expected to work all scheduled hours. Failure to do so places an undue burden on your fellow employees increases the difficulty in meeting contract expectations and makes it difficult to meet customer expectations for reliable and consistent service.

Excessive absenteeism causes problems in providing an adequate, qualified work force to meet the company's workload. Where necessary or appropriate, we may make reasonable efforts to find alternative solutions. However, due to an employee's poor attendance it may become necessary to reassign, demote, replace, or terminate an employee.

Approved Absence

With the approval of your supervisor/manager you can request time off of work or leave work early for medical appointments. This request must be submitted with at least one week's notice and in

writing. When approved the supervisor/manager will acknowledge by signing the written request and give the employee a copy. For emergency situations; such as child illness/care or other issues not under the employee's control the supervisor, manager will try and accommodate the request.

Tardy

Being on time is extremely important in the workplace. Tardiness can take on different forms; not being at your assigned work area, ready to begin work, at your scheduled start time, prior to or after a scheduled break, or leaving work prior to your scheduled quit time, without supervisor/manager approval.

Reporting Absences

Building Maintenance – Janitorial: If you are not going to be at work as scheduled, for any reason, you must notify your supervisor, by paging them and receiving a call-back, no less than four (4) hours in advance of the start of your shift in order for your supervisor to arrange for a replacement. If you have not received a call-back from your supervisor prior to the expiration of the four (4) hour rule, you must page your supervisor's supervisor to notify them of your absence.

Clerical Contract and Home Office Staff.

Clerical contract staff must contact his/her supervisor, lead person and/or contact site by 6:00 am. (Clerical Contract sites have written procedures to report your absence, check with your supervisor). Home office staff, check with your supervisor/department head, regarding the amount of time required to report your absence.

If you are not physically able to place the call, you may have a family member or close friend call for you as long as they leave a working call back number. You must notify your supervisor every day you are not going to work your scheduled hours unless your supervisor notifies you, in writing, of a different method or time of reporting your absence. You will be expected to provide specific reasons for your absence.

Supervisors may require you to provide a statement from a qualified medical provider for any absence due to illness or injury. Failure to notify your supervisor of an absence before your scheduled shift and/or start time, or to provide the required documentation, may subject you to Corrective Action up to and including Discharge.

Advance Notice – Vacation Request

You are expected to provide sufficient advance notice when requesting vacation leave. Vacation request should be given to your supervisor, manager as soon as possible, all vacation requests will be considered on a first come first serve bases. However, the approval or non-approval will be based on workload, replacement, customer needs, the needs of your department, as well as, number of employees in your department approved for vacation.

If you are a no-call/no-show for three (3) or more consecutive scheduled work shifts, you will be considered an abandonment of your job and your employment will be terminated. Non-consecutive non call/no-show will subject you to disciplinary action up to and including termination of employment.

Tardiness

Excessive tardiness causes a hardship on customers, co-workers and PHC, Our Company strives for excellence and quality of work, that means being on time and ready to begin work at the scheduled starting time. Excessive tardiness will subject you to progressive discipline up to and including termination of employment.

Termination and Resignation

PHC strives to hire and retain excellent employees. However, employment is not guaranteed for any specified time period, regardless of an employee's length of service. Just as each employee is free to leave for any reason, the Company has the right to end an employment relationship at any time with or without notice for any reason not prohibited by law.

Employees are requested, but are not required, to give two (2) weeks written notice before terminating employment. Notice of resignation should be given in writing to the employee's immediate supervisor. Employees who terminate their employment may be paid for earned, unused vacation provided they are entitled to vacation pay under the vacation policy, and that proper notice of resignation has been given and two (2) weeks of active employment have been fulfilled.

Reduction in Force

There may be rare occasions when a reduction in force is necessary due to lack of work, lack of funds, economic slowdowns, technological or structural changes in PHC's operation or when lay-offs otherwise are determined to be necessary to ensure the financial health and viability of the organization as well as the contractual obligations within the organization.

Job Transfers

Opportunity for transferring from department to department or to another job within your department is available. The requirements are as follows: (a) There must be an available opening, (b) your job performance and attendance in your present position must be satisfactory (c) your skills and ability will be considered when applying for a transfer. Absent compelling circumstances, transfer applications are not considered unless you have completed 6 months in your current position. A transfer request must be approved by your supervisor and department head. When transferring from an hourly to salaried or salaried to hourly position all unused vacation must be cashed out. The same applies to transfers going from union to non-union or non-union to union positions all unused vacation must be cashed out.

Policies and Procedures

Harassment

Overview

PHC has a “**zero tolerance**” for any type of unlawful harassment in the workplace. Harassment is viewed as detrimental to the workplace and is not conducive to the

establishment of a work environment committed to the recognition of each individual's ability to contribute or to achieve their maximum potential.

PHC takes allegations of workplace harassment seriously, and the Company will respond promptly to complaints of harassment. When it is determined that such inappropriate conduct has occurred, PHC will act promptly to eliminate the conduct and impose such corrective action as is necessary, including disciplinary action up to and including discharge. Further, PHC has a retaliation policy and prohibits any form of retaliation against an individual who has complained about or experienced unlawful harassment or otherwise been treated adversely relating to the reporting of the situation or participated in the investigation. *PHC's retaliation policy on page 17.*

Harassment is defined as any conduct directed toward another person or group of people in the workplace, which is based on protected status, including but not limited to race, color, national origin, physical handicap, disability, sexual orientation, or for any reason intended or not which has the effect of creating a workplace environment that is hostile, offensive, intimidating, or humiliating to an employee may also constitute workplace harassment.

- **Sexual Harassment:** "Sexual Harassment" means sexual advances, request for sexual favor, and or verbal or physical conduct of a sexual nature when (a) submission to or rejection of such advances, requests or conduct is made either explicitly or implicitly a term or condition of employment or as a basis for employment decision; or (b) such advances, requests or conduct have the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating, hostile, humiliating or sexually offensive work environment.

Under this definition direct or implied requests by a supervisor for sexual favors in exchange for actual or promised job benefits, such as favorable reviews, salary increases, promotions, increased

benefits, or continued employment may constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the circumstances, including the severity of the conduct and its pervasiveness:

- Unwelcome sexual advances, whether they involve physical touching or not.
- Sexual epithets, jokes, written or oral references to sexual conduct; gossip regarding one's sexual life; comments relating to an individual's body; comments about an individual's sexual activity, or deficiencies.
- Displaying sexually suggestive, objects, pictures, cartoons, paintings, photographs;
- Unwelcome leering, whistling, brushing against the body, sexual gestures, suggestive or insulting comments;
- Inquiries into one's sexual experiences and activities.

Complaints of Workplace Harassment

If any employee believes that he or she has been subjected to workplace harassment, the employee has the right to file a complaint. This may be done in writing or orally. In fact, the employee is strongly encouraged to file a complaint with PHC

Any employee desiring to file a complaint regarding workplace harassment may do so in a number of ways. The employee may make the complaint to his/her supervisor. If the employee is not comfortable addressing the issue with their supervisor, they can contact any member of PHC's management. This can include; any supervisor, manager, human resources manager, vice president, and president of PHC.

Supervisors/managers who learn of or receive reports of harassment, in any form, **must immediately** forward the information to the Human Resources Manager.

The employee may also (or instead) contact Home Office Human Resources to make a complaint. Although the complaint can be made to anyone in Human Resources it will expedite the process to send it directly to or call the Human Resources Manager at the following address:

***PHC Northwest - Human Resources Manager
5312 NE 148th Ave., Portland, Or. 97230
503-261-1266 ext. 234***

Investigation of Complaints of Unlawful Workplace Harassment

When management receives the complaint, PHC will, promptly investigate the complaint in a fair and expeditious manner. The investigation will be conducted in such a way as to maintain confidentiality to the extent practicable under the circumstances.

While we cannot promise complete confidentiality due to the need to investigate, information about any complaint will be treated as confidential as possible, consistent with proper investigation and responsive action. Generally, this means confidential information will be shared only on a need-to-know basis.

PHC will make reasonable efforts to complete the investigation as promptly as possible. In most instances, PHC will, to the extent appropriate, inform the person filing the complaint and the person alleged to have committed the conduct of the result of the investigation and take appropriate remedial action when necessary.

Disciplinary Action

If it is determined that inappropriate conduct has been committed, PHC will take such action as is appropriate under the circumstances. Such action may range from counseling to termination and may include such other forms of disciplinary action as PHC deems appropriate under the circumstances.

Alcohol and Controlled Substance Policy “Zero Tolerance”

PHC is committed to protecting the safety, health and well-being of its employees, customers, and

all people who come into contact with its worksites and properties and/or use of its services. In addition, as a federal contractor, PHC is obligated to provide a drug-free workplace as required by the Drug-Free Workplace Act of 1988. We recognize that drug and alcohol abuse pose a direct and significant threat to this goal.

PHC has a “**zero tolerance**” for the use, possession, manufacture, distribution, dispensation, being influenced by, or sale, on any PHC or client property, in any PHC vehicle, or during work time, of any illegal drugs or other controlled substances, in any amount or in any manner including alcohol, or drug related paraphernalia.

All employees must notify, in writing, the Human Resources Department within five (5) days of any conviction under any criminal drug statute. This requirement is necessary to comply with the federal contractor Drug-Free Workplace Act.

PHC shall notify the applicable contracting federal agency within ten (10) days of notification or knowledge of conviction for activity which occurred in the workplace.

Employees who believe they have a problem with drugs or alcohol should voluntarily seek professional assistance before their problems begin to affect their work performance. The Company encourages employees to seek help for drug and alcohol related problems. Employee must recognize that seeking assistance for substance abuse problems will not jeopardize their jobs; whereas employees who perform duties while under the influence of drugs or alcohol will be subject to immediate termination of employment. Termination will result in such cases even if the employee subsequently volunteers for substance abuse counseling. Moreover, substance abuse outside of work which results in substandard performance, inadequate attendance, frequent tardiness, or misconduct may result in disciplinary action up to and including termination of employment.

The following rules/procedures of the policy represent PHC concerning substance abuse and its effect at the workplace and will subject the

employee to corrective action up to and including termination of employment:

- **Unauthorized use, possession, manufacture, distribution, dispensation, or sale, as well as the storing in lockers, desks, vehicles, or in other PHC property or client's property any illegal drug, drug paraphernalia, controlled substances, or alcohol, without proper valid authorization (Proper authorization is limited to those employees who have prescription medication, are required to take their prescribed medication periodically or symptomatically, and have notified their supervisor of their possession of the prescribed medication. Possession or use of medication prescribed for other is unlawful).**
- **All employees are required to report to work and remain in a condition to perform their duties free from substance use or abuse effects. Employees shall not be under the influence of any alcohol or any drug, legal or illegal, which adversely affects their ability to perform their duties in any way. The possession, transfer, sale or use of alcohol or illegal drugs while on Company premises, clients property, in PHC vehicles, on PHC business, or during working hours, including meal periods and breaks is absolutely prohibited.**
- **PHC reserves the right to search the property and person of any individual or vehicle on PHC property or employee property or person on customer's property. This right includes, but is not limited to, the inspection of the employee's parcels, packages, purses, lunch boxes, briefcases, clothing, backpacks, lockers, work stations, and desks, when the actions of such employee gives rise to reasonable suspicion of the employee's use or being under the influence of a drug or alcohol, or when there is reasonable suspicion**

that the employee possesses or is engaged in the transfer or sale of an illegal drug. The objective of these searches is to deter the use, possession, transportation or sale of illegal drugs and alcoholic beverages in order to provide a safe work environment for all employees. An employees consent to such searches is required as a condition of employment

Use of Legal Drugs and Alcohol

PHC strives to insure a safe working environment. If an employee is taking any prescribed medication that may impair his or her performance (i.e. not able to operate heavy machinery, experiencing drowsiness, etc.) it is the employee's responsibility to inform his or her supervisor prior to the start of shift. An employee may continue to work, even though under the influence of a legally prescribed drug, if management has received adequate certification from the attending physician (contacting the prescribing physician or pharmacist if necessary) that the employee does not pose a threat to his/her safety or the safety of others, and that the employee's job performance is not or will not be adversely affected. However, an employee under the influence of a legally prescribed drug may be required to take a leave of absence, transfer to a different position or otherwise comply with other appropriate action determined by management to insure the employee's safety as well as the safety of our employees and customers.

Substance Abuse Screening Program

PHC requires drug/alcohol tests (a blood test, urinalysis or other drug/alcohol screening) of its employees in the following circumstances:

- **Pre-Employment screening: A drug screening is required of all persons before they are placed on payroll. This policy also includes employees filling temporary assignments no matter the length of the assignment, as well as paid internships as well as entering PHC's janitorial/landscape training programs.**

- **Reasonable cause:** PHC may require drug/alcohol testing of employees whose actions give rise to reasonable suspicion of the use of alcohol or drugs (such as exhibiting inappropriate behavior or performance problems on the job that might be caused by being under the influence), or where circumstances or workplace conditions justify it.
- **Post accident screening:** Drug/Alcohol testing will be required in the case of an on-the-job accident or serious incident where PHC, in its sole discretion, determines that the cause is unknown or where PHC determines that the accident was preventable and/or the supervisor has reason to question whether drugs or alcohol could have been the factor in the accident.
- **Department transfers:** PHC requires a urinalysis screening of all employees when transferring from one department/division to another department/division within PHC and its affiliates.

Violations of the Substance Abuse Policy

In recognition of the Company's "zero tolerance" policy, your compliance with this policy is a condition of employment. Failure or refusal of any employee to comply with the provisions of this policy, to cooperate with any investigation to enforce this policy, to sign any release or conditional reinstatement agreement or submit to any required test or, inspection, employees who violate this policy will be terminated from employment.

"Company premises" for the purpose of this policy is used in its broadest sense and includes all land, property, buildings, structures, installations, customer's buildings/property, cars, trucks and all other means of conveyance owned by or leased to PHC or otherwise being utilized for company affairs.

Workplace Threats and Violence

PHC has a "zero tolerance" policy for any actions that threaten its employees, customers, visitors, guests, or other individuals. This includes verbal and physical harassment, verbal and physical threats, verbal confrontations, and any actions that cause others to feel unsafe in the workplace. As part of this policy, employees are prohibited from bringing weapons to work or on Company premises, including the Company parking lot. Further, PHC reserves the right to inspect, with or without notice, all persons' packages, automobiles and other items that come onto Company premises. PHC further reserves the right to inspect all Company property with or without notice.

Employees are encouraged to raise workplace concerns with their immediate supervisor. If the supervisor is unavailable, if the complaint remains unresolved after talking with the supervisor, or if the nature of the complaint is such that the employee does not feel he/she can discuss the complaint with his/her supervisor, the employee may make a complaint with any member of PHC's management or they can go directly to Home Office Human Resources without first going through a supervisor. An employee may make an anonymous complaint, although this may limit the Company's ability to investigate.

Supervisors who gain knowledge of or receive reports of threats, in any form, must immediately forward the information to the Human Resources Manager.

Complaints of Workplace Threats and Violence

When management receives a complaint, PHC will promptly investigate to determine relevant facts and circumstances.

The investigation will be completed as promptly as reasonably possible, normally (but not always) within 15 working days

While we cannot promise complete confidentiality due to the need to investigate, information about any complaint will be treated as confidential as reasonably possible, consistent with proper investigation and responsive action. Generally,

this means confidential information will be shared only on a need-to-know basis.

Based on the investigation, PHC will take immediate and appropriate corrective action when necessary or appropriate. In determining the appropriate corrective action, the Company will consider all of the circumstances, including the nature of the complaint and the context in which events occurred. While not all complaints will involve an accused offender who is an employee, when this is the case, the following rule will apply to personnel records. If there is insufficient evidence to support the allegations, no record will be made of the allegations in either the accused offender's or the complaining employee's (if not anonymous) personnel records. If evidence exists to support the allegations, disciplinary action, up to and including discharge, will be taken against the offender if the offender is an employee and the action taken will be included in the offender's personnel record. If the offender is not an employee, disciplinary action may not be possible; however, other appropriate remedial action will be taken as practicable given the offender's relationship to PHC. Additionally, appropriate relief and follow-up may be provided for the complaining employee when necessary or appropriate.

Individuals who lodge good faith complaints or who participate in PHC investigation will not be retaliated against or otherwise treated adversely relating to the good faith reporting of the situation or participation in the investigation.

Internet and E-Mail Policy

The purpose of this policy is to provide guidelines for the use of electronic mail, internet and associated hardware owned or leased by the Company for all PHC employees. To better service our customers, and to provide employees the tools needed to better perform their jobs, PHC continues to adapt by providing new and emerging services for communication and information exchange. As a result, many employees have access to one or more PHC provided electronic media and services. These include but are not limited to: computers, e-mail access, telephones, voice mail, fax machines, external electronic

bulletin boards, on-line services, and the internet, to name a few. PHC encourages the use of these services in the performance of your job duties in order to become more efficient and effective. However, everyone accessing these media devices needs to remember that the equipment and the content produced, are and remain the property of PHC and that their purpose is to facilitate and promote PHC business.

Procedures

These procedures apply to all electronic media and services that are owned or leased by PHC, are accessed on or from PHC premises, supplied by customers in order to meet our contractual obligations, or used in a manner that identifies the user as a PHC employee or affiliate. This policy applies to all employees, including; temporary, part-time and also includes paid and non-paid interns.

Employee Access

PHC provides these media and services to support employees in the performance of their job duties. Electronic mail and internet usage are the sole property of PHC as are the services acquired through internet service providers for PHC business use. Limited occasional or incidental use of electronic media, either sending or receiving, for personal non-business purposes, is permitted during non-work time within the policy guidelines. However, employees are expected to demonstrate a sense of responsibility and to not abuse this privilege to the detriment of PHC or other employees. Individual or mass e-mails that are not work related are not to be utilized.

All PHC employees are expected to behave professionally in all electronic communication; telephone, cell phone, email, intranet, internet and fax transmissions. In addition, PHC's policies and procedures both those outlined in this Handbook and otherwise, apply to employees' use of electronic communications, specifically but not exclusively including the Anti-Harassment policy.

Remember you represent PHC in all your business dealings and our integrity should never be in question.

Electronic mail and Internet Access Monitoring

PHC has the technical capability to monitor employee's electronic mail messages, internet communication, and other usage of PHC computer systems. PHC has access to the content of employee's electronic mail, files that are stored on PHC systems, and the names and addresses of each internet location accessed by each employee. Such electronic communications and other files can be accessible even after being deleted from an employee's computer system.

PHC reserves the right to monitor employee's electronic communications and access to electronic messages and other files on PHC computer systems for the purpose of ensuring compliance with this policy and for other lawful business purposes. Moreover, government agencies and other outside persons or entities may have the legal right to access PHC records and information, including information that is stored electronically.

Employees can have no expectation of privacy in any electronic mail communication, internet communication, or other computer file generated or stored by PHC. This is true whether the employee's use of the electronic communication is work-related or personal: an employee's use of PHC's electronic communication system, for any reason official or unofficial, is subject to PHC's review.

Prohibited Communication

Electronic media (email – internet - intranet) is not to be used for transmitting, retrieving, receiving or storing any inappropriate communication. Computers and telephonic equipment are powerful communication tools that must be used wisely. Inappropriate use of these PHC resources is considered misconduct and may result in discipline up to and including termination of employment. The following are examples of conduct or behaviors that are explicitly prohibited. Since it is not possible to list all inappropriate behaviors, this list is not complete and employees can be disciplined for other actions pertaining to electronic media:

- Discriminatory, harassing or in violation of the Company's EEO policy and other PHC policies.
- Derogatory to any individual or group of individuals;
- Obscene;
- Defamatory or threatening;
- Used to support or engage in any illegal activity or other activity that is contrary to PHC's policies, work rules, business practices or business interests;
- Violates international, federal, state, or local law or regulation, or promotes unlawful activity or displays pornography or anything in any way that may be seen as vulgar, obscene, or personally disparaging or any material that violates PHC's Harassment Policy;
- Posting, transferring, downloading, viewing, or linking to material that is offensive;
- Transfer of unauthorized or unlicensed software;
- Knowingly transferring malicious or destructive programs, including viruses, virus-bearing files, etc;
- Participation in or malicious responses to Scams (schemes to make money fast), Spam - sending unsolicited email to multiple recipients, or illegal activities;
- Spoofing or forging communication in any way;
- Impersonating any person or entity or misrepresenting your affiliation with any person or entity.
- "Hacking", "Cracking" or any unauthorized attempt to break into any computer (whether or not the computer belongs to PHC);
- Any attempt to gain unauthorized access to another person's file or messages;
- Excessive personal use and/or personal charges using PHC's telephonic equipment.
- Solicitation of any kind or for any purpose.
- Telephone, fax or messaging activity using inappropriate illegal or

threatening language, according to local law and/or PHC's policy;

- **Violation of copyright laws, including but not limited to downloading music or video;**
- **Unauthorized dissemination and disclosure of confidential information to third parties.**
- **PHC employees may choose or may be required by their job, to participate in public forums on the internet, including news groups, chat environment, and so forth. Employee cannot represent PHC's corporate opinion unless they have been given permission by the President of PHC. Whenever posting from a PHC account, employees must always include a disclaimer that they are not speaking for PHC. Even when posting from home or another non-PHC site. The following statement may be used : The content of this message is my personal opinion only and although I am an employee of PHC, the statements I make here in no way represent PHC's position on the issue. nor am I authorized to speak on behalf of PHC on this matter.**

Employees who violate this policy may be subject to disciplinary action, including termination of employment. Additionally, PHC reserves the right to take any legal action appropriate to enforce the terms of this policy.

Every employee is responsible for ensuring that electronic mail and internet access are used properly and in accordance with is policy.

Whistleblower Protections

It is the policy of PHC that any employee shall be free without fear of retaliation to make known allegations of alleged misconduct existing within the Company that he/she reasonably believes evidences:

- **An abuse of authority, gross misconduct, or gross waste of money; or**
- **A substantial and specific danger to public health or safety; or**
- **A violation of law.**

A representative of the Company shall not take any personnel action as retaliation against an employee or applicant who discloses truthful information regarding misconduct under this policy or who following such disclosure, seeks a remedy provided under this policy or any law or other Company policy. This policy does not apply to a disclosure that is specifically prohibited by law. *Please review retaliation policy on page 17.*

Good faith complaints may be communicated in a number of ways. The employee may make the complaint to his/her supervisor. If the employee is not comfortable addressing the issue with their supervisor, they can communicate with any member of PHC's management. Supervisors who receive complaints must immediately forward the information to the Human Resources Manager. An employee may also (or instead) call or go directly to PHC's Human Resources Manager at the main office, 503-261-1266.

Complaint Investigation and Confidentiality:

All complaints will be investigated promptly. The identity of the employee making the complaint, as well as the identity of the individual accused of misconduct, will be kept as confidential as reasonably possible.

Solicitation & Distribution of Literature

To avoid disruption of company operations, the following rules apply to solicitation and distribution of literature on Company property; including Company worksites:

- **Employees may not solicit other employees for membership, contributions, funds, or other purposes during work-time or at times when the solicitation interferes with other employees who are scheduled to work. Employees are never to solicit a customer or on a customer's worksite for any reason or purpose.**
- **Employees may not distribute literature at any time for any purpose on PHC property or a customer's worksite. Only Company information authorized by PHC can be distributed.**

- **Persons not employed by the Company (family/friends) of an employee can not solicit or distribute literature on Company or Customer’s worksite, property on behalf of the employee.**
- **Employees are prohibited from solicitation of any kind; including but not limited to; Selling/soliciting merchandise/product/services on Company or Customer’s worksite, property for any reason, including non-work hours.**

Work hours include the work times of both the employee doing the soliciting and/or distributing and the employee to whom the soliciting and/or distributing is directed.

In some instances, the collection of money for presents, flowers, parties, donations, or for cases of particular hardship can be considered appropriate. In these exceptional cases, such collections may be permitted with first getting the approval of PHC management. All such approved solicitations should be made during regularly scheduled rest and lunch periods.

The only exception to the above is the Company may occasionally authorize the solicitation of funds for recognized and established charities as determined by PHC. Employees interested in this exception must obtain advance approval from PHC.

Bulletin boards have special notices and important information you will want to know about. Items to be posted on bulletin boards or anywhere on PHC or Customer’s worksite must be submitted to management for prior approval. We urge you to check the bulletin boards regularly for item of interest.

Dress and Appearance

General Policy

You are expected to maintain appropriate standards of grooming, personal hygiene, and dress during working hours. Do not wear apparel, jewelry, or use personal grooming products or use hygiene practices that could distract others or

create a safety hazard to you, your co-workers, or the customer.

PHC will make reasonable accommodations for dress or grooming directly related to an employee’s religion, ethnicity, or disability, however, the accommodation must not interfere with the PHC logo uniform shirt or safety rules/policy.

All Employees (Uniform and Non-Uniform)

PHC provides uniform shirts with the PHC logo for all Janitors, landscapers and trainees. If your job requires you to wear a uniform shirt, hat etc. you may not start work without it. On your days off, we ask that you do not wear your uniform shirt. It is only to be worn during work hours. You are expected to wear a clean shirt everyday without exception. You may wear jeans or slacks with your uniform shirt as long as they are clean. Hair is to be neatly combed and make-up should be applied on the light side. Beards and mustaches are to be groomed neatly and contribute to a clean and neat appearance. The use of perfume, cologne, and fragrances should be avoided, due to possible allergies of co-workers and customers. Shoes must be clean – Employees who wear a uniform or who work in or around PHCI manufacturing, warehouse, or VDC laundry, for your safety sandals and open toed shoes are prohibited.

Fads in clothing, hair-styles, jewelry and make-up that are deemed inappropriate to the Company’s image are unacceptable. In particular, shirts must not show excessive cleavage or be see-through, and must fully cover your stomach and back. Muscle shirts and sleeveless shirts are not allowed. Pants must not be excessively low slung, and must fully cover your underwear and your backside. Cut-offs, stretch pants, sweatpants, and short skirts are not allowed. Promoting gang colors and/or wearing gang related bandanas, insignias, patches, pendants/jewelry are prohibited.

Personal hygiene is very important in your job. The minimum we expect is to; bathe daily, maintain your grooming on a daily basis; with clean teeth, clean hair, clean finger nails and use deodorant/antiperspirant.

Employees must wear their ID Badge during work hours on the outside of their uniform shirt and should be clearly visible at all times and worn above the waist.

PHC also provides supervisors/Project Manager with uniform shirts displaying PHC logo and an ID Badge and must be worn during work hours.

Returning PHC Property: Your Uniforms and ID badge are the property of PHC. When leaving PHC's employment, you must return them to your supervisor.

Home Office and Contracted Clerical Staff

In the interest of employee comfort employees can dress in comfortable, casual attire, as long as it is neat, clean, in good taste, and projects a positive image of the Company.

Employees must use good judgment in determining what casual attire is appropriate to wear to the office. Specific attire that is unacceptable includes: T-shirts with inappropriate slogans or pictures, torn clothing, loose footwear such as flip-flops, bare feet, cut-offs, sweatpants, beach attire; workout attire; excessively revealing attire such as short skirts, halter tops, or see-through clothing, exposed underwear, or any clothing/accessory that may be offensive to others, as well as, fads in clothing, jewelry hair styles, make-up, footwear that are deemed inappropriate for an office environment, and/or to the Company's image. If your attire, footwear, hair style, make-up and jewelry are deemed inappropriate, you may be asked to leave work and not return until your appearance and/or attire is more appropriate for the office/worksite environment. The use of perfume, cologne, and fragrances should be avoided, due to possible allergies of co-workers and customers. pen toed shoes are acceptable to wear in the main office building, however, flip-flops or like footwear is not acceptable, When entering the manufacturing or warehouse area such as PHCI and the John Fryer building closed toed shoes must be worn.

For contracted clerical employees jeans are not acceptable for everyday wear, the only exception; if the employer has designated Friday's as a casual

day, jeans may be worn if they are clean neat without holes, tears, or have slogans or pictures on the back or legs of the jeans. Shoes should be comfortable and safe to wear. Appearance and attire must conform to the contractor/customer's dress code.

Telephone Communication

Cellular (wireless) - Telephones Land lines

Land Lines PHC and customer's worksite telephones are for business use only, they are not to be used for employee's personal calls (making or receiving) this includes PHC clock-in/clock-out phones. Remember using customer's equipment is strictly prohibited.

Cellular phones (working at a customer site) are not to be used during work hours this includes receiving calls, sending or receiving text messages. You may use your cell phone during breaks and lunch only. Using a cell phone during work hours will subject you to disciplinary measures.

Cellular phones (Clerical contract and home office staff) While at work, employees are expected to exercise the same discretion in using personal cellular phones as is expected for the use of company land phones. Excessive personal calls during work hours, regardless of the type of phone used can interfere with employee productivity and be distracting to others. Therefore, employees are asked to limit their personal calls this includes sending or receiving text messages; for non-work time, (breaks and lunch). Employees should also use non-work areas for personal calls, since this can also be distracting to others.

Use of Cellular Phones While Driving:

The Company is committed to promoting highway safety by encouraging the safe use of cellular phones by its employees while they are on company business. The Company recognizes that there often is a business need to use cellular phones; however, safety must be the first priority.

If an employee needs to make a phone call while driving, the individual should find a proper parking space first. Stopping on the side of the road (freeway) is not acceptable. The only exception is genuine emergencies such as an accident or a vehicle breakdown. Employees with hands-free cell phones may make brief phone calls while driving but must park when road conditions are poor, traffic is heavy, or the conversation is involved. Under **NO** circumstances or for any reason are you to **send/read text messages/twitter/blog/read/send emails/play electronic games while driving**. Use of any electronic equipment while driving is strictly prohibited and grounds for immediate termination. Proper cellular phone use is part of safe driving. All employees are expected to obey posted speed limits, and avoid taking/recording notes while driving.

Telephone Courtesy

PHC takes pride in distinguishing itself from its competitors in the industry and we do that by our communication skills and by our responsiveness to our calls. We must be responsive, informative and interested in every single caller. Good telephone communications skills are common sense; therefore, employees should treat all callers as they would treat their friend and always make the caller feel welcome. PHC strives to project the best image possible when using the telephone.

Voice Mail

While our voice mail system is designed to increase productivity, it is expected that you will treat employees with respect when leaving messages. Please do not leave curt or last minute messages for anyone. Do not use the voice mail system to “hide” from co-workers or customers. If you are at your desk, you are generally expected to answer your telephone. The voice mail system should not be used for personal messages.

Building Access & Key Policy

PHC must at all cost safeguard the Customer’s worksite. In order to successfully maintain our Customer’s trust and ensure the safety, security

and well being of our customers and employees the following policy and procedures must be adhered to.

Unauthorized use of PHC/Customer’s keys/access key card/access key fob/access security code, in a secure area or use of keys to enter the customer’s building during off hours will be grounds for immediate termination.

Under **no** circumstance is an employee to let another person use PHC/Customer’s keys/key card/key fob or security code or copy any keys without consent from the president of PHC. Employees are never to divulge any information regarding the security code of a customer’s building to anyone. These infractions are grounds for immediate termination.

Loss of a Customer’s master key or GM keys/card/fob is grounds for immediate termination; you must immediately call/notify your PHC supervisor if for any reason you are missing your keys. Having immediate knowledge of this information is extremely important for PHC and our customer. Failure to comply with these procedures will result in disciplinary measures.

Removal of keys/key card/key fob from the building/worksite without supervisor authorization is grounds for immediate termination.

Access to customer buildings and their worksites are only authorized if an employee has building clearance and it is during their current work shift. At **no** time is an employee authorized to enter a worksite during non-work hours, or be in an area of the building if not currently scheduled to work; out of their work area. This includes visiting with customers and/or co-workers in other work areas and/or other building worksites. You **must** have your supervisor and project area manager’s and/or department/division manager’s authorization to be in a customer’s worksite during non-work hours, except if it’s a public building and the visit is for personal services the business offers in a public area of the building during their normal business hours. All worksites have certain levels of security. **Any security breach by an employee at a customer’s worksite will be grounds for immediate termination.** You can **not** use your keys/key

card/key fob/access code/security ID badge to enter a customer's building/worksite for personal use.

Retaliation Policy

"Zero Tolerance"

To protect employees who exercise certain legally protected rights, including, but limited to, bringing certain complaints to management or to a governmental agency about a problem in the workplace. PHC will act promptly to address the employee's concerns. PHC values employees' legal rights and will affirm the Company's policy prohibiting retaliation against employees for exercising those rights.

- **Employees are expected to bring any and all complaints of discrimination and unlawful retaliation to any member of management; this can include; supervisor, project manager, department/division/general manager, human resources manager, vice president and president of PHC.**
- **This expectation extends to include suspected harassment, unlawful discrimination, unlawful acts, threats and/or violence, and unsafe work conditions.**
- **All employees are expected to treat each other with respect and dignity. All employees are responsible for notifying management of any unlawful treatment including; discrimination, harassment and retaliation which they witness, experienced first hand or have been told that another person has witnessed or received such treatment.**

Procedures:

Our management team believes that we have an obligation to all our employees to provide open communication at all levels. Therefore, you are expected to bring any unlawful employment practice complaint or concern including suspected retaliation to any member of management you feel comfortable with. If you feel comfortable with your supervisor/manager then he/she can be your

first point of contact, however, you can bring your complaint or concern **directly** to Human Resources as your first point of contact without going through your supervisor/manager or any other member of management stated above.

Complaints and concerns will be handled promptly and with the utmost respect. An investigation will be conducted by Human Resources. If discrimination or retaliation in violation of this policy is found to have occurred, prompt, appropriate correct action will be taken and any employee found to have violated this policy will be subject to disciplinary action up to and including termination.

All supervisors and managers must bring any and all complaints or concerns regarding unlawful employment practices including retaliation that they are aware of to Human Resources to ensure proper investigation procedures.

PHC will take all steps necessary to ensure a "Zero Tolerance" for any type of retaliation for exercising a legally protected right.

Compensation & Benefits

Compensation Philosophy

Overview

PHC believes in the Total Compensation Philosophy to support our goals of attracting, developing, and retaining employees who desire to deliver the difference to our customers and support the Company's purpose and mission. In addition to an employee's salary and wages, employee's compensation includes a comprehensive benefit package and other incentives. The components of our Total Compensation Philosophy apply to the **Home Office Staff and include:** (supervisors, salaried and hourly non-union employees) (However, PHC's compensation program does not include: (employees who receive sub-minimum wage, federal based wage or piece-rate).

PHC maintains a formal compensation program that defines pay ranges and pay review schedules. Although employees receive annual performance

appraisals, pay increases are not necessarily directly tied to these reviews. A number of factors will be reviewed when considering pay increases including company profits, performance, position within the pay range, years of service, and inflation.

- **Market competitive base salaries reflecting national labor market conditions for exempt (salaried) positions and area/city specific labor market conditions for non-exempt (hourly) positions.**
- **Market competitive benefit programs supporting the diverse needs of our employees. Benefits are an important component of the total compensation package offered by PHC.**
- **Objective-based and performance-based incentive programs that reward employees for their contributions to the current and long-term success of the Company and its mission.**

Wage Categories (Home Office)

Most employees are placed in two categories based on position duties and responsibilities as defined by the Fair Labor Standards Act and applicable state law. **However, because of our unique not for profit status we also have wage categories for sub-minimum wage and piece-rate.**

- **Exempt: “Exempt” employees hold executive, administrative, or professional positions, are paid a base salary and are not eligible for overtime pay.**
- **Non-Exempt: All other employees are “non-exempt” (hourly paid) and are eligible for overtime pay.**
- **Sub-Minimum and Piece Rate: Employees who fall under this category are due to their unique status. This special rate is overseen by the US department of Labor and the reporting requirements are strictly enforced.**

Overtime Pay

All overtime work must be approved by the employee’s supervisor in advance. Vacation, sick, and holiday, will not count towards hours worked for the purpose of computing overtime. Overtime pay is based on hours actually worked. At the time of your hire, or when you transfer to a different position, you will be informed about whether your position is non-exempt (and thus you receive overtime) or exempt. If you have any questions about whether your position is exempt or overtime, please ask your supervisor or Human resources for further information.

Non-Exempt: Non-exempt employees are paid overtime in accordance with the Fair Labor Standards Act (FLSA). All hours worked in excess of 40 hours/week will be paid at time and ½. If a non-exempt employee works on a paid holiday and the total hours worked exceeded 40 hours for the week, the employee will be paid a rate of time and ½ for the hours worked on the holiday, up to a maximum of 8 hours. **PHC does not permit comp time in place of hours worked.**

Exempt: Exempt employees are not eligible to receive overtime pay; their salary is intended to cover all hours worked, including holiday hours worked.

Hourly Union

Employees who are members of unions are compensated according to the Collective Bargaining Agreement (CBA). Union employees receive overtime pay in accordance with the Fair labor Standards Act (FLSA) as well as the CBA.

Lunch and Breaks

Employees are given a paid 15 minute break after each 4 hours worked and at least a 30 minutes unpaid lunch break after 6 hours of work. Please discuss the scheduling of your breaks with your supervisor, as there are specific requirements regarding when your breaks and meal period must be taken.

Lunch and break periods cannot be waived, even at an employee’s request, and you cannot use your break to come in late or leave early

Pay Periods

For payroll purposes, the regular work week begins on Sunday and ends on Saturday. Pay day is the fourth (4th) work day following the end of the pay period.

Pay periods end on the 15th of each month and the last day of each month.

Pay Advances

Employees are eligible for one pay advance per year for emergency situations. The amount of the advance is 50% of their current earnings in the pay period s/he is requesting an advance. Request for a pay advance should be directed to your supervisor and must receive prior approval of the Operations Building Manager/Vice President Building Maintenance or President.

Direct Deposit

Employees may elect to have their paychecks directly deposited to a bank or credit union account. If you choose to the direct deposit, the Company will electronically transmit each paycheck to the employee's designated bank account. Each payday, the employee will receive a pay deposit receipt, rather than a paycheck, which will contain all of the information that would otherwise be included on a paycheck.

Please be aware that it can take up two (2) pay periods for the direct deposit to become effective. During this process you will receive a regular paper check until your banking information is verified and accepted.

Credit Union

PHC offers you the opportunity to join OnPoint Credit Union (formally The Teachers Credit Union) for your banking and financial needs. Application and information is available from IERD.

Your Paycheck

The stub of each employee's paycheck shows earnings and deductions for the current pay period, as well as total earnings and deductions year-to-date. For hourly employees, the paycheck stub indicates the employee's regular and overtime hours worked in the previous pay period, as

applicable. Time is also recorded for holiday and vacation. The paycheck stub records amounts paid for holiday, vacation, sick and funeral leave.

The pay stub also shows deductions made for federal, state, and local income taxes which the Company is obligated to withhold, as well as deduction for medical, dental, and any other voluntary deductions such as supplemental insurance, and 403(b) contributions.

If an employee feels that there is an error in his/her paycheck, he/she should contact his/her immediate supervisor. If a paycheck is lost, the employee should report it to his/her supervisor immediately.

Social Security

Social Security (F.I.C.A.) deductions are taken from every employee's paycheck. The federal government requires that employees pay a percentage of their earning up to the amount specified by law and PHC pays an equal amount for employees' social security benefits. These benefits include income, Medicare death benefits, disability insurance and income payments to certain dependent survivors of covered employees.

You must submit your Social Security card for verification of employment as proof of holder (your name must match the name on your card).

Benefit Package Summary

Overview for Hourly Non-Union and Salary Home Office Staff.

Your benefits represent an important part of the value of your job. To make the most of your benefits, you need to know how they work. This portion of the handbook is designed to be a resource whenever you need information about your benefits plans and programs. **Benefit information for union employees of SEIU, Local 49, Laborers' Union Local 483, and ITPEU, please refer to the CBA.**

Described below are the programs, policies and details that constitute an employee's current benefit package. The type and amount of various benefits may change from time to time with or without notice. In addition, specific informational booklets have been prepared by the health and

welfare providers for many of these benefits. Employees should refer to these booklets for actual plan and program details. The sections below are only a general introduction. Some of the benefits described here are governed by a Plan document. In the event of a discrepancy between this summary and the plan document(s) the plan document(s) shall govern.

PHC reserves the right to change or eliminate any insurance coverage, the terms of accrual of vacation, sick leave, and the categories of paid and unpaid leave, the designation of paid holidays, or any other benefits listed in this Handbook, at its sole discretion and with or without notice.

In the event of a discrepancy between this summary and the plan document(s), the plan document(s) shall govern.

Employment Classifications

PHC's employees are given employment classification based on the hours he/she is regularly assigned to work per work. Participation in the Company's benefits program will depend upon the employment classification as follows: Salaried and hourly employees are eligible to receive medical and dental coverage the first of the month following date of hire.

Regular Salaried Full-Time/Part-Time:

Employees who are regularly scheduled to work at least 20 hours per week are eligible for Medical and Dental coverage.

Regular Hourly Full-Time: Employees who are regularly scheduled to work at least 100 hours a month are eligible for medical and dental coverage. Hourly employees must work 100 hours the month before eligible

Regular Hourly Part-Time: Employees who are regularly scheduled to work at least 100 hours a month are eligible for medical and dental coverage.

Temporary: Employees whose employment is established for a specific period of time or for the duration of a specific project(s) are not eligible for any PHC sponsored benefit programs, including paid leaves.

Internship: Intern programs whether paid or unpaid whether established with a school program or with other programs are not eligible for any PHC sponsored benefit programs, including paid leaves.

Hourly Sub-minimum and Piece-rate:

Employees full and/or part-time are not eligible for other PHC sponsored benefits, including paid leave.

PHCI and VDC employees who are funded receive paid vacation; however, they are not eligible for other sponsored PHC benefits.

Federal Contracted Employees who are offered and receive certain federal benefits, these benefits are solely based on contract language and do not represent PHC benefit programs.

Trainee – Trainees involved in training programs for janitorial and landscaping are not eligible for PHC sponsored benefits.

Benefit Summary Hourly Non-Union and Salaried Employees

Unless otherwise specified, benefits commence upon completion of six months of employment and terminate upon the last day of employment.

Vacation

Regular, full-time salaried employees may accrue paid vacation as follows:

One Year of service
Up to 10 days per year
Two through Four
Up to 12 days per year
Five through Nine
Up to 15 days per year
Ten plus years
Up to 20 days per year

Regular, full-time hourly non-union employees may accrue paid vacation as follows:

One through Five
10 days per year
Six years of service
11 days per year

Seven years of service

12 days per year

Eight years of service

13 days per year

Nine years of service

14 days per year

Ten through Nineteen

15 days per year

Twenty plus years

20 days per year

Calculations are approximate, based on percentage accruals for hours work by regular, full-time employees, calculated at 173.33 hours per month. This is based on a 40-hour workweek.

Regular part-time salaried and hourly employees accrue vacation time on a pro-rata basis and are otherwise subject to the same provisions as full-time employees.

Vacation leave for salaried employees will not be granted in increments of less than a full day. Vacation leave for hourly employees will not be granted in increments of less than one (1) hour. Vacation may accrue during the period an employee is on paid leave. The maximum vacation that may be accrued is 250 hours. Once an employee reaches the maximum accrual; he/she does not earn additional vacation time until part of the 250 hours is taken.

Vacation does not accrue during the first six months of employment. After six months, vacation will accrue retroactively from the date of hire.

If an illness occurs while you are on vacation, you can not convert the period of time that you are ill to sick leave. If an illness exceeds your vacation time, then it can be counted as sick leave. Holidays that occur while you are on vacation will be paid as a holiday, and will not deplete your vacation time for that particular day.

Vacation will be scheduled according to the needs of your department. A leave request form must be submitted to and signed by your supervisor, at least 30 days in advance of your requested vacation. Where there are two requests for the same time off and both can not be accommodated, the supervisor may approve vacation based on

several factors, including but not limited to the needs of the department, the time the request was submitted, employee seniority, and any other applicable factors.

Employees must provide a two-week written resignation and serve the full two weeks to receive their earned vacation upon termination. Employees who fail to provide two weeks notice and to work as scheduled during their notice period will not be paid for vacation time at termination.

Sick Leave Benefits – Salaried Employees

Sick pay benefits provide continuation of an employee's salary in the event of personal illness/injury or to care for an immediate family member during a qualified illness/injury (immediate family is defined as; spouse, child, parent or parent-in-law). Salaried employees are eligible for sick leave benefits after (6) six month of continuous employment.

Paid sick leave accrues at the rate of up to (9) nine days per year for regular full-time salaried employee working an average of 173.3 hours per month. Sick leave does not accrue during the first (6) six months of employment. After (6) six months sick leave will accrue retroactively from the date of hire. Regular, part-time salaried employees accrue sick time on a pro-rata basis.

The maximum sick leave that may be accrued is 720 hours. Once an employee reaches the maximum accrual, he/she will not accrue sick leave until some is used and the balance falls below 720 hours.

Sick leave will not be granted in increments of less than one day, except for employees covered by Family Medical Leave (FMLA). Paid sick leave is not to be considered as earned in the same manner as vacation leave. All earned and accrued sick leave is forfeited and will not be paid upon termination.

The Company may require medical verification from a licensed health care provider, of an illness/injury or family member's illness/injury. Paid sick leave may be used for a medical or

dental appointment that requires a full day's absence. An Employee who regularly uses their entire, accrued sick leave will be subject to review. Abuse of paid sick leave may be grounds for disciplinary action.

Remember:

Notify your supervisor directly to discuss your absence. If you are unable to reach your supervisor leave a voice mail, however, you must call your supervisor later that day. Notify your supervisor when you will be able to return. If the date to return changes, you must notify your supervisor immediately.

Hourly employees are not eligible for sick leave benefits.

Holidays

All regular salaried and hourly non-union employees are eligible for holiday pay after they have worked one day. PHC's main office observes the following 9 holidays.

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Christmas Day

Regular full-time employees are eligible for eight (8) hours holiday pay. Regular part-time employees are eligible for pay based on hours regularly scheduled. When a holiday falls on Saturday or Sunday we will observe the designated Friday before or the Monday after.

Employees who work on a holiday may, with supervisor approval, take one (1) day off in lieu of the holiday work within the next two (2) pay periods. If an alternative date is not taken, within designated time, then the holiday is forfeited.

Hourly non-union employees, if an alternative day is not taken the employee shall be entitled to pay

at the rate of time and a half (1 ½) for the hours worked, plus holiday pay for the holiday worked.

Employees wishing to take time off for other non-paid or religious holidays may do so either without pay or as vacation time, with prior written approval from their supervisor and arranged at least two (2) weeks in advance.

Hourly employees must work the **full day** on both the last working day prior to the holiday as well as the first working day after the holiday to be eligible for holiday pay (or be on pay status i.e. vacation), exception: **unless otherwise pre-approved by supervisor/manager in writing to work less hours than the full shift of the required work days.**

Contracted Clerical – for some hourly, non-union employees working at federal sites, Columbus Day is also an observed holiday. Contract requirement for specific jobs may affect the holiday schedule for employees assigned to specific sites, shifts, or crews.

Health and Welfare Benefits

Medical Insurance Coverage

PHC offers and pays for full medical coverage for hourly non-union employees starting on the first of the month following the date of hire. Employees must work no less than 100 hours per month for continuous medical coverage. 100 hours must be compensation hours, which includes paid leave such as vacation.

PHC offers and pays for full medical coverage for salaried employees starting on the first of the month following the date of hire. Employees must work no less than 20 hours per week for continuous medical coverage.

Dependent coverage with Pre-Taxed Dollars

Eligible hourly and salaried employees may elect to add his/her dependents to the medical plan at the employee's expense. PHC offers a flexible benefits program under the Company's section 125 plan. The plan enables employees to pay for dependent medical and or/dental coverage with

pre-tax dollars. Simply complete a payroll deduction form to qualify for pre-tax exemption.

There is a 30 days open enrollment starting July 1st for medical and dental coverage. This is the only time you can add or delete a dependent, with the exception of a birth or adoption of a dependent child or you become newly married. With these qualifying events your dependents must be enrolled within 30 days of the birth/adoption or marriage.

PHC may at times offer you a choice of two medical insurance coverage plans. If you select a plan with a higher premium, you will be responsible to pay the difference of the two plans.

Dental Insurance Coverage

PHC offers and pays for full dental coverage for hourly employees on the first of the month following completion of 6 months of employment. Employees must work at least 100 hours for each of the qualifying 6 months. Employees must continue to work at least 100 hours each month for continuous dental coverage. 100 hours a month means compensated hours, which includes paid leave such as vacation.

PHC offers and pays for full dental coverage for salaried employees on the first of the month following completion of 6 months of employment. Employees must work no less than 20 hours per week for each of the qualifying 6 months. Employees must continue to work no less than 20 hours each week for continuous dental coverage. 20 hours per week mean compensated hours, which includes paid leave such as sick or vacation.

PHC may at times offer you a choice of two dental insurance coverage plans. If you select a plan with a higher premium, you will be responsible to pay the difference of the two plans.

Short-Term Disability and Life Insurance

PHC provides and pays for short-term disability and life insurance coverage for hourly non-union and salaried employees starting on the first of the month after completing 6 months of employment. Employees must work at least 100 hours for each of the qualifying 6 months, and continue to work

at least 100 hours each month for continuous coverage. 100 hours means compensation hours, which includes paid leave such as vacation.

PHC provides and pays for short-term disability and life insurance coverage for salaried employees starting on the first of the month after completing 6 months of employment. Employees must work no less than 20 hours a week of the qualifying 6 months, and continue to work no less than 20 hours a week for continuous coverage.

Life Insurance Coverage

The coverage provided by PHC for both hourly non-union and salaried employees and is based on your wages. For hourly employees it's your annual hourly wage times 1 ½. Coverage for salaried employees is 1 ½ time their annual salary.

Long Term Disability

Coverage is provided to regular full-time salaried employees, at PHC's expense, on the first day of the month following the completion of 24 months. (2 years from date of hire or date became salaried). Long-term disability comes into effect after short-term disability is exhausted and you meet all the medical qualifications.

Retirement Plan 403(b)

PHC offers salaried and hourly non-union a group retirement account with TIAA-CREF.

- **Salaried employees: PHC will make contributions for an eligible employee of 5% of his/her salary.**
- **Hourly non-union employees: PHC will make contributions for an eligible employee of 3% of his/her wages.**

Retirement contributions eligibility requirements are the same for both salary and hourly non-union. You are eligible the first of the month following completion of continuous 24 month of employment. Retirement contributions are deposited directly into the employee's TIAA-CREF retirement account. You will need to choose from the list of investment funds offered by TIAA-CREF. If PHC does not receive this information back from the employee, PHC will

automatically set up a retirement account for the employee and invest the funds in the Money Market Fund.

As with all PHC benefits this plan may be revised, modified, or terminated at any time with or without notice. Employees may request a copy of the plan document for TIAA-CREF at any time. Employees will be informed of their eligibility under the plan and will be given the opportunity to participate once eligible.

PHC Retirement Plan for Non-Union Federal Contract Employees

In order to meet the Federal Service Contract Act (SCA) benefit requirements, PHC has a retirement plan exclusively for Non-Union Federal Contract Employees. PHC will contribute an amount of equal to the difference between benefits provided to an employee by PHC (such as medical insurance etc.) and the required amount per the Federal Service contract Act. This contribution will be made directly to an employee's GRA account with TIAA-CREF. The retirement contribution is non-taxable income to an employee until withdrawn from the account. Funds may be withdrawn upon termination from employment with PHC or upon reaching retirement age.

Educational Assistance

PHC encourages and supports efforts by its employees to improve their skills and educate themselves for advancement. Our Company's position on providing financial assistance to employees for their educational development is as follows: PHC may provide financial assistance for career related education, which can include one day seminars, individual college courses related to your immediate job; as well as a college degree courses that are specially job related, however, full or part reimbursement for college courses and degrees must be approved by the President of PHC. Educational reimbursement may be limited to budgets and funding available. For job related seminars see your supervisor/manager. For college courses related to your career goals at PHC see the Human Resources who will work with you and your department manager to provide the best career direction for your educational needs.

COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Company's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment (for reasons other than gross misconduct), or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirement.

The Company provides each eligible employee with a written notice describing rights granted under COBRA when employees become eligible for coverage under the Company's health insurance plan. The notice contains important information about employee's rights and obligations. You will have 60 days from the date you lose coverage or 60 days from the date you receive such information, whichever is later, to elect continued coverage.

Under COBRA, the employee or beneficiary pays the full cost of coverage at the Company's group rates plus a small administration fee. Coverage will end if any of the following events should occur: the Company no longer provides group health coverage to any of its employees; the premium for continued coverage is not paid; you become covered as an employee or otherwise under another group health plan; or you become eligible for Medicare

Leave of Absence Benefits

Jury Duty

Employees on day shift are provided time off to serve on jury duty. The policy is to compensate employees their regular earnings minus the difference received from jury duty service, for scheduled work days, when called to serve on a jury. This also includes jury selection up to a maximum of ten (10) days per year. If your jury service extends beyond 10 days, you will be granted unpaid leave after the first 10 days of

service. You must notify your supervisor immediately upon receiving the jury summons and a copy of the summons must be given to your supervisor. PHC may request that you defer jury duty to another acceptable time if it is determined that you cannot be released due to business necessity.

All employees who report to jury duty are expected to call in his/her jury status to their supervisor on a daily basis. If your supervisor is unavailable call the main office's human resources department at 503-261-1266 to report your jury status.

All employees are expected to work his/her regular schedule on days when court is not in session, as well as the remaining part of your scheduled shift on days when excused early from court. If it is determined that you did not contact your supervisor or come to work on a day you were excused early or did not have jury duty, the Company reserves the right to limit or not pay for of any of the time spent on jury duty.

The Company encourages employee to appear in court for witness duty. Salaried employee appearing as a witness will receive pay for up to 5 days. Hourly employees will receive time off without pay for witness duty. If you receive a subpoena, you should immediately advise your supervisor. You will be expected to report for your regular duties when temporarily excused from attendance in court.

Bereavement Leave

Regular full-time and part-time hourly non-union and salaried employees are eligible for bereavement leave with pay in the event of a death in the employee's immediate family up to a maximum of five (5) consecutive workdays to attend the funeral and attend to matter related to the death. Union employees refer to the CBA.

Your supervisor must be notified as soon as possible prior to taking bereavement leave. The Company reserves the right to require proof of death within 2 weeks. If additional unpaid time is needed the request must be approved by your supervisor.

For the purpose of this policy, "immediate family" shall be defined as spouse, domestic partner, child, step-child, parent, step-parent, brother, sister, mother-in-law, father-in-law, grandparent, grandchild. Regular employees may be eligible for funeral leave for other than an immediate family member, not to exceed one day, upon approval of your supervisor.

Personal Leave of Absence

The company may, at its discretion, grant an unpaid personal leave of absence to a regular employee when an urgent and important personal matter which requires an employee's personal attendance during work hours and cannot be reasonably taken care of without an absence from employment. A personal leave must be requested in writing with 30 days notice or as much notice as practical. PHC will make reasonable efforts to return you to work at the conclusion of a personal leave, but reinstatement after a personal leave is not guaranteed.

Military Leave

Regular full-time salaried employees who have at least 2 years of employment with PHC are eligible for a leave of absence with pay up to a maximum of two weeks per year. Regular F/T hourly non-union employees who have at least 2 years of employment with PHC are eligible for a leave of absence with pay up to a maximum of 40 hours per year, when required for an annual military training program for the U.S. Uniformed Services, Reserves or National Guard.

PHC will pay the difference between his/her regular earnings and the amount of military pay. Employees must provide advance notice and a copy his/her military orders.

All employees who must leave a Company position, other than a temporary position, for military service, (which includes all branches of military service) will be granted a military leave of absence and receive the rights and privileges provided under the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA).

Family and Medical Leave (FMLA)

Overview

PHC recognizes that employees need support in balancing their work and with personal and family responsibilities. Accordingly, eligible employees may take up to 12 weeks of unpaid family medical leave in a 12-month period in accordance with PHC policy and federal state laws. Although the provisions of Oregon law (Oregon Family Leave Act, or “OFLA”) differ, PHC has adopted a single policy that complies with both laws. Leave under the Oregon and federal statutes will normally run concurrently, unless otherwise required.

Family medical leave may be utilized for any of the following conditions:

- For the birth of a child or for the placement of a child under 18 years of age for adoption or foster care;
- To care for a family member with a serious health condition. Family member is defined as a child biological, step, adopted or foster, spouse, parent, (parent-in-law, same sex domestic partner) are covered only under (Oregon state law only) or person acting “in loco parentis,” i.e. a guardian or another relative caring for a child; grandparents and grandchildren are included. A child is the employee’s family member whether or not the employee is the custodial parent.
- To recover from or seek treatment for a serious health condition of the employee; and/or
- To care for a child (under the age of 18 or an adult child substantially limited by a physical or mental impairment) who suffers from an illness or injury that does not qualify as a serious health condition, but that requires home care. **[This “sick child leave” is required by Oregon state law only.**

Eligibility

Employees who have been employed with PHC for 12 months and worked at least 1,250 hours in the previous 12-month period (the 12 month

period does not need to be consecutive), this applies up to 7 years prior to the date the leave begins. Employees who have been employed with PHC for 180 days and have worked an average of 25 hours per week in the 180-day period may be eligible for leave under the Oregon Family Leave Act (“OFLA”) (The 25-hours average does not apply to leave taken for the birth or placement of a child under the age of 18). Please contact the Human Resources Department for more information on eligibility.

Employees must notify his/her supervisor or the human resources department with at least 30 days notice or as much notice as practical when the need for leave is “foreseeable”. For planned medical treatment, the employee must make reasonable efforts to schedule the treatment to minimize the disruption to the Company’s operation, as long as the health care provider approves.

PHC may require medical certification to support a request for the leave because of a serious health condition, and may require second or third opinions (second or third opinion if requested will be at the Company’s expense).

Military Exigency

All employees who must leave a Company position, other than a temporary position, for military service, (which includes all branches of military service) will be granted a military leave of absence and receive the rights and privileges provided under the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA).

Eligible employees are entitled up to 12 weeks of leave because of “any qualifying exigency” arising out of the fact that the spouse, son, daughter or parent of the employee is on active duty, or has been notified of an impending call to active duty status, in support of contingency operation. By the terms of the statute, this provision requires the Secretary of Labor to issue regulation defining “any qualifying exigency.”

Military Caregiver

An eligible employee who is the spouse, son, daughter, parent or next of kin of covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to 26 weeks of leave in single 12 month period to care for the service member.

Serious Health Condition

A serious health condition is defined as a condition requiring inpatient care, incapacity of at least three days, or that poses an imminent danger of death in the near future or that requires constant care. A serious health condition includes a patient's disability due to pregnancy or any absence related to prenatal care. Not all medical conditions are serious health conditions.

Generally, routine illnesses such as colds or flu that can be treated with nonprescription drugs or best rest will not be considered serious health conditions. Employees who are unsure whether a medical condition qualifies as a serious health condition should contact the Human Resources Department for more information.

Leave Period

The employee may take a total of 12 weeks of leave in a rollback 12-month period. If both spouses work for PHC, the total leave entitlement for the birth, adoption or foster placement of a child is 12 weeks within a 12-month period. Spouses can take the leave at the same time.

Definition of the 12-month period: The Company will use a "rolling 12-month period" measured backward from the date an employee uses any Family Leave. Under the rolling 12-month period, each time an employee takes Family Leave, the remaining leave entitlement would be any balance of the 12 weeks which has not been used during the preceding 12-months.

Compensation during Unpaid FMLA

The Family Medical Leave Act guarantees employees a leave of absence in the case of qualifying leave conditions; however, PHC does not provide compensation in the form of wages for employees on leave. Employees can apply for

short-term disability (short-term disability only applies for an employee's illness/injury). PHC requires all employees to be paid their earned vacation and sick leave (if applicable) per pay period while on FMLA. Vacation and short term disability can be paid out at the same time. Long term disability for salaried employees (if applicable) will be paid once short term disability is exhausted and the employee qualifies.

Intermittent leave or Reduced Schedule

If medically necessary, the employee may take intermittent leave or work a reduced schedule (fewer hours per week or per day) for the leave for the employee or employee's child, spouse, or parent's serious health condition. For leave upon the birth, adoption, or placement of a child, the employee may take intermittent leave or work a reduced schedule only if agreed to by both the Company and employee.

Benefit Protection

- **Medical Care Coverage:** While the employee is on FMLA for one of the four specified reasons and presently receives Company paid medical coverage. PHC will maintain the employee's medical coverage on the same terms as if the employee had not taken leave. However, if the employee has exhausted his/her FMLA leave, the employee is responsible for paying his/her portion of the premiums for medical/dental benefits, and any other benefit for which he/she normally pay a premium. If 30 days of unpaid leave has elapsed without payment from the employee the employee's benefits will be terminated.
- If the employee fails to return from the leave for reasons other than a serious health condition or other factors beyond the employee's control, PHC may require the employee to reimburse the Company for its share of the premium paid for the medical care coverage during the leave.

- 403(b) and any Pension plan Benefits: During unpaid leave, all contributions to the 403(b) or pension plan and company-matching, will be suspended. If an employee has an outstanding loan against their 403(b), he/she must arrange to make their monthly payments.
- No Loss of Accrued Benefits: Taking leave under the Family Medical leave Act will not result in loss of any benefits accrued and available before the leave was taken.
- Unemployment benefits: During the Family Medical Leave employees may not receive unemployment benefits.
- Employment: During Family Medical Leave, it is PHC's policy that employees can not seek other employment, including; temporary, part or full time. Employees can not receive payment for work performed under any circumstance during this leave.

Reinstatement

When you return to work, normally you will be reinstated to your former job. If your former job has been eliminated, you will be reinstated to an available equivalent position. An equivalent position is one with equivalent pay, benefits and hours, but not necessarily the same work location or type of responsibilities. Your right to return to work may also be affected by any transfer, layoff, or termination action that would have occurred for business reasons unrelated to the family leave absence.

Employees are expected to promptly return to work when the circumstances which necessitated the leave end. If the circumstances change during the leave and the necessary leave period is shorter than originally expected, the employee must give PHC reasonable notice (within 2 business days) of the changed circumstances where foreseeable and request reinstatement. With the exception of employees who are off work as a result of an industrial injury or illness, employees lose their reinstatement rights when the period of leave exceed the maximum allowed.

Workers' Compensation

If you are injured or have an illness on the job you must report the injury/illness immediately to your supervisor/manager. Failure to report your injury/illness to your supervisor/manager immediately may lead to disciplinary action. Workers' Compensation provides for payment of certain medical expenses and for partial wage continuation in the event of a work-related injury or illness, employees are covered by workers' compensation insurance as required by state law. In Oregon, SAIF insurance company and in Washington, L&I will manage your claim. PHC is not involved in any of the decision making process for workers' compensation. However, questions regarding workers' compensation insurance should be directed to Human Resources.

General Work Rules and Expectations

Customer Relations

Our reputation is one of excellence. PHC is known for its service and quality work. The main reason is our employees. Maintaining this reputation requires the active participation of every employee. "You make the difference" Our employees listen carefully to customers and deal with them in a responsive, professional manner. Our employees are encouraged to report customer-related problems to their immediate supervisor and should be prepared to make suggestions for problem-solving changes.

If at anytime our customers should become unreasonable, abusive, or harassing notify your supervisor immediately, so they can handle the situation. PHC requires our employees to be courteous and respectful to customers and fellow employees at all times.

Smoking

PHC is strongly committed to maintaining and improving the health and well being of all employees. PHC supports a smoke free environment in the workplace. This is compliance with Oregon's Smoke Free Workplace law of January 1, 2002.

To protect the health of all our employees, smoking is not permitted in Company buildings, worksites, vehicles, or within 10 feet of any door, window of PHC's buildings and worksites. If you must smoke you may do so only in designated areas. Smoking is never permitted near sensitive or hazardous material. When using your personal vehicle to transport employee(s) from one worksite to another. We ask that you provide a smoke free environment/ vehicle for this purpose.

Standards of Conduct

Standards of conduct have been developed for everyone in the Company to maintain a principle of day-to-day relations with fellow employees and customers. It is important that all employees adhere to a consistent set of guidelines. Employees are expected to conduct themselves in a professional manner at all times. Employees are not to engage in behavior that would be detrimental to the Company's business and/or reputation, or that would constitute violation of company policy or jeopardize the safety of others. Any conduct, behavior, or attitude inconsistent with these principles may result in disciplinary action up to and including termination of employment.

Off-Duty Conduct

While the Company does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with the company's legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company's or their own integrity, reputation, or credibility. Illegal or immoral off-duty conduct on the part of an employee that adversely affects the company's legitimate business interests or the employee's ability to perform his/her job will not be tolerated.

Business Conduct & Ethics

Employees may not accept a gift or gratuity from any vendor, supplier, business (trying to sell their products/services) who is at present doing business with PHC or may do business with PHC, as it may give the appearance of influence regarding their

business decision, transaction, or service. Please discuss expenses to be paid by such person for business meals or trips with your supervisor.

PHC Authorized Driver

Employees may qualify to drive (own vehicle or company vehicle) for PHC once we verify there is a valid driver's license, request the employee's DMV driving history and verify current vehicle insurance. You must also pass the Smith Driving Course offered by PHC for company vehicle use. All employees have to be authorized by the President of the Company before they can actually drive their own or company vehicle for business purposes for PHC. You must have and maintain a good driving record while employed, if your job duties require you to drive. Employees **must** comply in full with PHC's Transportation Driving Policy, and must inform PHC immediately if charged with or convicted of any driving related offense. Failure to obey the Company's driving policy will subject your driving privileges to be terminated and disciplinary action, up to and including termination of employment. Once you have been approved to drive a company vehicle or your own personal vehicle your driver's license will be flag by DMV and they will report any and all traffic violations to PHC.

Confidentiality

PHC operates according to the guiding principles of trust, integrity, ethics, character, and value. These core values have formed the foundation for PHC's successful history and are the building blocks for our future. These guiding principles are extremely important in our relationships with our customers and employees. To protect these values we must safeguard with the utmost discretion any and all confidential information.

Each employee is responsible for safeguarding confidential information. In the course of your work, you may have access to confidential information regarding PHC, its suppliers, its customers, and co-workers. Such confidential information includes, but is not limited to: customers, supplier, and prospect list; marketing plans; production and manufacturing data; product formulas; and other trade secrets; as well as;

medical; accounting; payroll and personnel information. Employees with access to such confidential information are responsible for its security and may be required to sign special nondisclosure and/or non-compete agreements. Employees are prohibited from attempting to obtain confidential information for which they have not received access authorization.

Confidential information should never be left unattended in a person's work area. Mark sure confidential information is hidden from view and securely locked away when leaving your work area.

Any employee who discloses confidential information to anyone inside or outside of PHC (written or verbal) (other than as necessary in the performance of his/her job duties) will be subject to disciplinary action, up to and including termination of employment. **Remember, you are in a position of trust. Do not betray it.**

Inclement Weather

In case of inclement weather, all employees are expected to report to work on their normal scheduled shift, unless notified otherwise by PHC management or a government official (Mayor) declares in a public announcement that public and **private** sector employees should not report for work.

Visitation

Personal visitors in the working areas can cause safety hazards and disrupt production; therefore, personal visitors at the customer sites are prohibited.

Safety and Health Policy

PHC Northwest is dedicated to protecting the safety and health of our employees, the public, and our customers. We believe the creation of a reasonable safety and health culture is integral to long-term success. It is therefore, the policy of PHC, to strive to eliminate occupational health and safety risk in our work activities. We will take an active role in raising the safety and health awareness as a very important part of the way we conduct business. This policy will guide our daily

operations and will not be compromised in our business endeavors.

To accomplish this, we will:

- Systematically manage and integrate safety and occupational health into our strategies, business decisions, plans and operations.
- Meet or exceed all applicable safety and health laws, rules, regulations and procedures.
- Proactively reduce occupational injury and illness risks, and promote employee health and well being through an emphasis on prevention, awareness and response to potential hazards.
- Train employees to perform their jobs in a safe and environmentally responsible manner.
- Provide the necessary resources to support our safety and health programs.
- Evaluate our work activities, facilities and programs by systematically auditing behaviors, work processes, management systems and equipment.
- Promote teamwork by encouraging all employees to be actively involved in the prevention of incidents,
- Assign responsibility to all employees and hold them accountable to perform work safely.
- Promote health and safety awareness and responsibility among all employees and customers.
- Set goals and objectives for accident prevention.
- Hold supervisor accountable for safety standards of their employees.
- Allocate company resources to meet safety goals and objectives. These may include:
 - Installing needed safety and health controls;

- Purchasing necessary personal protective equipment;
- Provide training resources to carry out safety goals.
- Encourage participate in Company's safety committee and other sponsored safety functions/programs.
- Perform safety inspections at all worksites to eliminate job hazards.
- Conduct monthly safety training for supervisors and continuous safety training for all employees at their worksites These may include:
 - Proper working knowledge of chemicals as well as hazardous material handling.
 - Safe work practices which meet or exceeds company safety goals.

Each employee has an individual responsibility to understand and support our health and safety policies and procedures and to actively participate in the safety and health programs to ensure our goals are achieved. We take our responsibility seriously and strive to conduct business in a manner that protects the safety and health of our employees and customers. We pledge to promote safety first in all our work activities.

Personnel Records

In collecting, maintaining, and disclosing personnel information, PHC makes every effort to protect employees' privacy rights and interest and prevent inappropriate or unnecessary disclosures of information from any employee's file or record. While complying with its governmental reporting and record keeping requirements, PHC strives to insure that it handles all personal and job-related information about employees in a secure, confidential and appropriate fashion in accordance with the principles and procedures as outlined.

Disclosure or Release of Employee Information

On occasion, PHC must provide information and data from its personnel records and files to federal, state, and local government agencies in accordance with record keeping and reporting requirements imposed by such agencies. Additionally, the Company will normally comply with subpoenas demanding the production of employee information.

Employment and Wage Verification

All requests for references and verification of employment should be directed to Personnel Records. Wage verification should be directed to the Payroll Department. Personnel Records and Payroll can be reached at 503-261-1266. No other manager, supervisor, or employee is authorized to release information regarding current or former employees.

The policy is that absent specific authorization from an employee or former employee, PHC only verifies the employment status, date of employment and job title. PHC does not provide any other information unless and until we receive from the workers or former employee a written request that we may disclose or confirm additional specific information when giving job reference information to prospective employers.

Access to Personnel Files

All employees can review the information contained in their own personnel files, although PHC reserves the right to remove certain sensitive documents, including letters of reference, security clearance and management planning documents such as succession or promotion plans. If you would like to submit any documents or information pertaining to your job duties, wage/salary, letter of explanation regarding discipline, or any document job related or not, you must first obtain approval from the Human Resources/ Risk Department before it can be placed in your personnel file.

Employees, who are interested in reviewing the contents of their personnel files, contact the Human Resources Department at 503-261-1266

and provide at least two days notice of their desire to schedule a mutually convenient time for an appointment.

Accuracy of Employee Information

To insure that personnel files are-up-to-date and contain accurate and complete information: notify your supervisor or Human Resources as soon as you change your name due to marital status, change your address and phone number and emergency contact names and phone numbers.

Employment of Relatives

Relatives of employees may work for PHC provided that (a) no direct reporting relationship exists or (b) no conflict of interest or compromise of internal controls would occur or (c) where the potential for interpersonal conflict between relatives could disrupt the workplace.

For the purpose of this policy, relatives include: spouse, parents, son, daughter, brother/sister, including step brother/sister, and step parents, parent in-laws, brother/sister in-laws, aunt, uncle, niece, nephew, cousin.

Exit Interview

Employees who leave PHC (resign or laid-off) are requested to do an exit interview with a Human Resources Representative, in order to help us gather feedback related to your job and over-all employment conditions. This information may be used to make improvements in the workplace and help reduce turnover.

Company's Grievance, Complaint process for PHC's Administration, Housing, Clerical and PHCI

To promote a better employer-employee relationship, PHC pledges immediate cooperation to settle any grievance or complaint that might arise out of and in the course of employment. Any grievance or dispute, which may arise relating to work rules, policies, procedures, discipline and/or termination, shall be settled by following your department/division's chain of command.

- Grievance and complaints should first be referred to the employee's supervisor, department, and/or division manger.
- If the matter is not settled the employee should refer the issue to Human Resources for investigation and resolution. However, if the matter is not settled at this level then the unresolved issues shall be taken to the President of PHC for review.
- The President of PHC will review the dispute without prejudice and may do further investigation and research to establish additional facts. However, once the process has been exhausted the President's decision shall be final.

Union employees, please refer to your CBA regarding grievance procedures. However, for general complaints/concerns, policies, work procedures and work related issues, we encourage you to also use the in-house chain of command:

- Supervisor, project/department/operations manger, vice president whenever, possible before filing a grievance with the union.

Acknowledgment

This employee handbook is for your use and a source of information about your Company and your job. It is not a contract of employment, express or implied, but merely sets forth regulations of employment, methods for resolving conflicts, and an explanation of your benefits and policies. Your employment at PHC is “at will”, meaning that either you or PHC may terminate the employment relationship at any time, for any reason or no reason. Your signature below acknowledges your receipt of a copy of this employee handbook and your understanding and acceptance that:

1. I am responsible for reading, understanding, and adhering to the policies outlined in the Company employee handbook and I am invited to ask my supervisor any questions that I have;
2. The provisions of this employee handbook are guidelines, statements of policy, and procedures that may be changed by the Company at any time.
3. Management reserves the rights to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any document at any time.
4. The company does not guarantee me specific benefits because Company benefits, policies, and procedures may change from time to time without my consent;
5. No supervisor or other representative of the company, other than its President, has the authority to enter into any agreement for employment for a specified period of time or to make any agreement contrary to the policies contained in this manual;
6. The Company or I may terminate our employment relationship at any time, for any or no reason not expressly prohibited by law.
7. Union employees; parts of this handbook are superseded by the Collective Bargaining Agreement (CBA). If it applies to you, you will receive a copy of the CBA when hired, please refer to it for union benefits and workers rights under this agreement.
8. The Company does monitor its phone system, network, and computers. Information stored in or on company property or worksites is subject to inspection at any time without notice. Employees have no personal privacy right in any created, received, or sent on or from the computer and/or Internet system; by accessing the system, employees expressly waive any right of privacy in anything they create, store, send, or receive on the system. By accessing the system, employees further consent to allowing personnel of the Company to access all material created, sent, or received on the system.

Employee's Name

(Print)

Date

Employee's Signature