



Innovative Employee Solutions



# Innovative Employee Solutions Employee Handbook

## CONTINGENT EMPLOYEES

Last Revised: January 25, 2023

**THIS HANDBOOK IS NOT A CONTRACT, EITHER EXPRESS OR IMPLIED**

© 2020 INNOVATIVE EMPLOYEE SOLUTIONS: ALL RIGHTS RESERVED, NO PART OF THIS DOCUMENT MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS WITHOUT WRITTEN PERMISSION FROM INNOVATIVE EMPLOYEE SOLUTIONS.

TEL: 858.715.5100 • FAX: 858.715.5110 • [info@innovative-es.com](mailto:info@innovative-es.com)

[innovativeemployeesolutions.com](http://innovativeemployeesolutions.com)

## TABLE OF CONTENTS

1	Introduction .....	1
2	About Innovative Employee Solutions .....	1
3	Mission Statement .....	1
4	Employment Relationship .....	1
5	At-Will Employment .....	2
6	Business Ethics Policy .....	3
7	Employee Code of Conduct Policy .....	3
8	Corporate Social Responsibility Policy .....	3
9	Equal Opportunity and Americans with Disabilities (ADA) Policies .....	5
10	Harassment and Retaliation Policy .....	6
11	Compliance with Immigration Policy .....	8
12	Attendance Policy .....	8
13	Mandatory Training Policy .....	9
14	Holiday, Vacation and Other Leave Policies .....	9
15	Affordable Care Act .....	11
16	Wage Payment Policies .....	11
17	Substance Abuse Policy .....	14
18	Confidentiality Policy .....	18
19	Equipment Policy .....	19
20	Security Policy and Procedures .....	19
21	Driving Policy .....	19
22	Telecommuting Policy .....	22
23	Safety Policy .....	26
24	Workplace Violence Policy .....	27
25	Important Notices Regarding Laws in Your Work State/City .....	27

## 1. INTRODUCTION

This Employment Policies Handbook (“Handbook”) is a compilation of personnel policies, practices and procedures currently in effect at Innovative Employee Solutions, Inc. (IES).

The Handbook is designed to introduce you to IES, familiarize you with the company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

This Handbook is not intended to create a contract of continued employment, employment for a specific term, or any contractual obligation or legally enforceable obligation on the part of IES.

IES reserves the right to make changes to the policies, procedures and other statements made in this Handbook. Business conditions, federal and state law and organizational needs are constantly in flux and may require that portions of the handbook be rewritten. This is necessary to successfully provide the appropriate employment relationship and to obtain the goals of the organization.

## 2. ABOUT INNOVATIVE EMPLOYEE SOLUTIONS

IES originally began as TOPS Staffing in 1974. In 1998 owner Karla Hertzog sold the temporary staffing division of the business to SOS Staffing Services, retaining the payrolling portion of the company which was subsequently renamed Innovative Employee Solutions. Since its beginning, IES has grown from a staff of 5 employees and revenues of \$41 million to a current staff of 37 employees and annual revenues of over \$100 million. IES has expanded its client base significantly as well, serving over 300 companies and employing over 5,000 globally each year.

In addition to its commercial growth and success, IES has earned a reputation for workplace excellence, client trust, and employee loyalty. IES has received local and national recognition for being a top woman-owned business, closely-held company, and one of San Diego’s “Best Places to Work” for 9 consecutive years.

Innovative Employee Solutions also maintains commitment to give back to the community through generous corporate and employee giving, volunteer projects, and employee-directed community service initiatives.

## 3. MISSION STATEMENT

IES’s mission is to provide companies with flexible, consultative and technology-driven solutions for engaging the evolving workforce.

## 4. EMPLOYMENT RELATIONSHIP

While on assignment, you will be an employee of IES. As such, you will be paid directly by IES and will not be eligible for any holidays, vacations, disability benefits, insurance, pensions, retirement plans, or any other benefits offered or provided by the Client. You may be eligible for IES benefits including vacation, sick, holiday pay or medical/dental insurance. IES is responsible for managing the payroll, benefits administration, records management and workers compensation. IES does not provide day-to-day supervision of your work and therefore relies on the client to train, supervise, counsel and inform you of their internal policies and procedures.

Please review how this relationship affects you in the following areas:

- If you are **injured on the job**, report the injury to your onsite supervisor and call Medcor at 800-775-5866 to discuss your injury with a qualified triage nurse. If your accident is an emergency, please seek medical assistance immediately and contact IES 858-715-5100 as soon as possible.
- IES handles all **verifications of employment** and partners with The Work Number using employer code 16219 and contacting 800-367-5690.
- If you have **questions regarding your paycheck**, please contact your IES HR Account Representative at 858-715-5100 x139.
- If your assignment ends and you are eligible for **unemployment**, identify IES as your employer to your State Unemployment Department.

### IES/CLIENT/EMPLOYEE RESPONSIBILITIES

To clarify the employment relationship that exists between our employees, our client (the company that supervises) and IES, please refer to the chart provided below.

	IES	Client	Employee
Timecard to IES		X	X
Request for time off		X	X
Day-to-day direction and supervision		X	
Job Training		X	
Safety	X	X	X
Injury on the job (Workers Compensation)	X		
Issuing paycheck/Direct Deposit	X		
Annual W-2	X		
Annual 1095-C	X		
Verification of Employment/Income inquiries	X		
Drug Screening (if applicable)	X		
Background Investigations (if applicable)	X		
Benefits Administration	X		
Communication of Termination to IES – Voluntary			X
Communication of Termination to IES – Involuntary		X	
Employee Change in Address – Inform IES			X

### 5. YOUR RESPONSIBILITIES AS AN IES EMPLOYEE

IES is your employer, and as such, it is your duty to communicate with us about changes to your work, whether it be that you are travelling, moving, or ending your work with IES or the Client site.

Your responsibilities include, but are not limited to:

- Submitting your timecards in a timely manner on Worksite

- Keeping your home address updated and current
- Informing IES if you are travelling internationally for work
- Informing IES if you are planning to work in a different city/state for more than two weeks
- Informing IES if you are quitting your role
- Report workplace harassment and/or discrimination to IES
- Report changes to your legal name to IES
- Be responsible for your own W4 and state taxes,
- Keep IES informed of updated and current banking information needed to process payroll
- Report to your Worksite manager for absences
- Knowing what to do in an emergency
- Provide receipts for expense reports
- Provide Stop Payment Authorization

## 6. AT-WILL EMPLOYMENT

IES is an “at-will” employer and operates under the provision that employees have the right to resign their position at any time, with or without notice and with or without cause. IES and our clients have similar rights to terminate the employment relationship at any time, with or without notice and with or without cause. IES makes no representations, assurances or promises that you will be promoted or transferred to another position as an employee of the Client, or any other IES client.

## 7. BUSINESS ETHICS POLICY

IES complies with all applicable laws and regulations and expects its employees to conduct business in accordance with the spirit of relevant laws and refrain from dishonest or unethical conduct. Employees shall act in a manner which will inspire trust in their integrity, impartiality and devotion to the best interests of IES and our clients.

If a situation arises where it is difficult to determine a proper course of action, the matter must be disclosed to management or the human resources department.

## 8. EMPLOYEE CODE OF CONDUCT POLICY

It is not possible to list all forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment. Nothing in this list of rules is intended to conflict with or alter the At-Will Employment Policy contained in this handbook. The list is not intended to be exhaustive:

- Theft or inappropriate removal or possession of property.
- Working under the influence of alcohol or illegal drugs.
- Illegal possession, distribution, sale, transfer or use of alcohol or drugs in the workplace, while on duty or while operating employer-owned vehicles or equipment.
- Fighting or threatening violence in the workplace.
- Sexual or other unlawful or unwelcome harassment.

- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace.
- Unauthorized use of telephones, mail system, or other employer-owned equipment.
- Unauthorized disclosure of business “secrets” or confidential information.
- Dishonesty, including knowingly providing false or fraudulent information in employment records.
- Excessive disruption of the workplace or IES.

## 9. TRAVEL POLICY

IES will take all reasonable steps to ensure the health, safety, and welfare of workers when they travel internationally as part of their work.

This policy applies to all individuals employed by IES US, IES UK and IES Canada entities, including staff and workers on assignment for our clients.

### Reducing risks

Advice on international travel from the relevant government bodies will be reviewed by IES. Where the risk is considered unacceptable, workers will not be allowed to travel internationally as part of their work. Workers may refuse to travel internationally where there are reasonable grounds for them to do so.

Every time a worker travels internationally, IES will review the destination to ensure it is an area that is covered under the IES travel insurance policy and provide general travel and safety information to the worker.

### IES will do the following:

- Review advice from the Travelstate.gov and (Foreign & Commonwealth Office, the World Health Organization and the UK Department of Health) prior to authorizing workers to travel internationally;
- Inquire with worker about status of work permit/visa and coordinate with client and/or immigration counsel;
- Provide a letter of employment as needed for purposes of securing a work permit;
- Ensure that workers are informed of general travel and safety status associated with travel to destination;
- Ensure that the international travel record is completed prior to the worker departure;
- Ensure that travel insurance is in place and communicated to the worker; and
- Communicate approved travel request and information to client if applicable.

### Workers' responsibilities

Workers travelling internationally will:

- Notify IES at least 30 days before leaving for travel;
- Ensure that travel permits are acceptable and will notify IES if they have concerns;
- Advise IES of any tangible impediment to their travel;

- Check with their health care professional regarding any required vaccinations for their country of destination;
- Ensure that any required vaccinations are up to date;
- Ensure that their emergency contact information in WorkSite is up to date;
- Appraise themselves fully of all instructions and warnings given by us prior to their departure;
- Abide by COVID protocols during travel and at country of destination if applicable;
- Understand client travel expense policy, reimbursement procedures and clarify items they don't understand with IES before departure;
- Ensure that their cell phone plan will work in the destination country;
- Ensure that they receive site safety training and information when working in a new workplace;
- Not engage in any illegal activity; and
- Familiarize with the emergency medical protocol provided by the travel insurance policy.

## 10. CORPORATE SOCIAL RESPONSIBILITY POLICY

IES is committed to conducting business in a socially responsible and ethical manner; to developing and maintaining an organizational culture for our staff and contingent workforce that supports and recognizes the human rights and dignity (including the Universal Declaration of Human Rights) of all individuals working in and with our organization; and, to protecting our environment. We expect our business partners and clients to share these commitments.

**NON-DISCRIMINATION:** We do not tolerate discrimination on the basis of race, gender, religion, medical condition, sexual orientation, or any other classification protected by law.

**HARASSMENT OR ABUSE:** Employees of IES shall be treated with respect and dignity and in accordance with IES's policy of maintaining a work environment free of all forms of harassment or abuse, whether physical, verbal or psychological.

**CHILD LABOR:** IES complies with all laws governing the employment of minors.

**HUMAN TRAFFICKING AND FORCED LABOR:** IES strongly opposes all forms of slavery and human trafficking, including forced labor, bonded (including debt bondage) or indentured labor and involuntary prison labor, and will never condone such practices or knowingly use any suppliers who engage in such practices.

**FREEDOM OF ASSOCIATION:** IES respects our employees' right to lawfully associate with or not associate with groups of their choosing. We are committed to an open and constructive dialogue with our employees on all matters relating to their employment.

**HEALTH AND SAFETY:** IES is totally committed to our goal that each employee shall work under the safest conditions possible. We provide all employees with appropriate information, training and supervision and follow all OSHA and federal and state laws regulating workplace safety in order to avoid preventable work-related accidents and injuries.

**WORKING CONDITIONS/FAIR WAGES:** We treat all employees fairly and honestly, regardless of where they work. Our staff is entitled to appropriate working conditions and to all legally mandated benefits.

We comply with all laws regulating working hours and payment of wages including payment of at least minimum wage and all legally required overtime pay.

**BUSINESS ETHICS:** IES complies with all applicable laws and regulations and expects its employees to conduct business in accordance with the spirit of relevant laws and to refrain from dishonest or unethical conduct.

**ENVIRONMENT:** IES is committed to being a responsible corporate citizen and strives to preserve our environment through minimizing waste and recycling.

**COMMUNITY INVOLVEMENT:** IES actively support initiatives in our community and encourages our employees to volunteer their time and energy in leadership and other roles in community organizations.

## ANTI-SLAVERY AND HUMAN TRAFFICKING STATEMENT

IES is committed to respecting human rights and avoiding complicity in any human rights abuse throughout our Company, our operations, and our communities. IES strongly opposes all forms of slavery, child labor, and human trafficking, including forced labor, bonded (including debt bondage) or indentured labor and involuntary prison labor, and will never condone such practices or knowingly use any suppliers who engage in such practices. IES's commitment to human rights elaborates on our values and approach to these issues. IES communicates our expectations to our employees, independent contractors and our vendors.

## INCIDENT REPORTING

All IES staff are required to use their best judgement to report any suspected trafficking activity to IES human resources.

Human Resources  
858-715-5100  
humanresources@innovative-es.com

## ENFORCEMENT

Any violations of this policy will result in disciplinary action that may include but is not limited to termination of employment for IES employees and termination of the relationship with IES for non-employees.

IES prohibits retaliation against any employee who reports any violation of this policy or who cooperates with any investigation of such reports. Employees who engage in any retaliation or other violation will be subject to corrective action up to and including termination of employment and reporting to local authorities as appropriate. Any supplier or supplier personnel engages in any prohibited activities, fails to report suspicious activities, or engages in retaliatory actions will be subject to action including termination of the business relationship and reporting as appropriate.

## 11. EQUAL OPPORTUNITY AND AMERICANS WITH DISABILITIES ACT (ADA) POLICIES

Equal employment opportunity, for all, is a fundamental, moral, legal and social obligation. It is the policy of IES to seek and employ qualified persons, and to provide equal employment opportunities for all

applicants and employees in recruiting, hiring, placement, training, compensation and benefits, promotion, transfer and termination, and all other terms, conditions, and privileges of employment without regard to race, color, national origin, ancestry, religion, religious garments, creed, sex/gender (including pregnancy, childbirth, breastfeeding and/or related medical conditions), age, physical/mental disability, medical condition, genetic information, marital status, sexual orientation, gender identity, gender expression, transgender status, citizenship, military or veteran status, caregiver status, request for leave, domestic violence victims, or any other classification protected by law. IES is firmly committed to a program designed to prevent discrimination or unequal treatment.

IES supports equal employment opportunity because it believes that every individual has the right to obtain employment, to pursue the career of his or her choice, and to advance on the basis of merit, ability, and potential.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, IES will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, unless undue hardship would result.

If you believe you have been subjected to any form of unlawful discrimination, please report this to your supervisor or to the IES Human Resources Department. IES will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the company's Equal Employment Opportunity or ADA policies. If IES determines that unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action also will be taken to deter any future discrimination.

IES will not tolerate retaliation against any individual who makes a complaint of discrimination, reports harassment or who assists, testifies or participates in an equal employment proceeding.

## **12. HARASSMENT AND RETALIATION POLICY**

IES is committed to providing a work environment that enhances productivity and is free of discrimination in the application of any assignment, policy, practice or regulation. IES does not tolerate verbal or physical conduct that harasses, disrupts, or interferes with an individual's work performance or which creates an intimidating or hostile environment.

IES will not permit the discrimination or harassment of employees based on any legally protected status under federal, state, or municipal law, which includes: race, color, national origin, ancestry, religion, religious garments, creed, sex/gender (including pregnancy, childbirth, breastfeeding and/or related medical conditions), age, physical/mental disability, medical condition, genetic information, marital status, sexual orientation, gender identity, gender expression, transgender status, citizenship, military or veteran status, caregiver status, request for leave, domestic violence victims, or any other classification protected by law.

Specifically, IES will not refuse to hire, employ or select for training programs leading to employment; bar or discharge from employment or training programs leading to employment; or discriminate in compensation or terms, conditions and privileges of employment. IES will also not discriminate against employees or applicants who are perceived to belong to these protected status categories or are associated with persons who belong or are perceived to belong to such categories. IES will not discriminate in interviewing or

recruiting.

This policy applies to all persons involved in the operation of IES and prohibits harassment and illegal discrimination by any contractor or employee of IES, including supervisors, coworkers, interns, volunteers and any other person, including outside vendors, consultants or customers.

Prohibited behavior includes, but is not limited to:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally impeding or blocking movement, or physically interfering with normal work or movement because of sex, race, or any other protected basis;
- Threats and demands to submit to sexual requests as a condition or continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and,
- Retaliation for reporting or threatening to report harassment or discrimination, or being involved in a related investigation

Harassment includes any of the above conduct, directed to a person of the same or opposite sex, either verbal or physical, where submission to the conduct is a term or condition of employment, submission to or rejection of the conduct is used as a basis for employment-related decisions, or such conduct interferes with an individual's work performance.

Harassment does not refer to conduct of a socially acceptable nature. It refers to behavior that is not welcome, that is personally offensive, that lowers morale and that therefore, interferes with work effectiveness.

Further, IES does not tolerate abusive conduct in any form. Abusive conduct means malicious conduct of an employee or employer that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. Abusive conduct may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance.

If you believe that you have been subject to any form of harassment, it is important that you report the harassment to the IES Human Resources Department and to the Human Resources Department at your assignment location as soon as possible after the incident. If possible, please provide written details of the incident or incidents, names of individuals involved and names of any witnesses. You do not need to report the conduct to the person whom you believe harassed you. Supervisors and managers who receive complaints or who observe harassing conduct should immediately inform IES Human Resources so that an investigation may be initiated. IES will immediately undertake a timely, thorough, impartial, and objective investigation of the harassment allegations, which will be kept confidential to the extent possible. IES will track its progress to ensure appropriate due process and a timely, reasonable conclusion based on the evidence collected. You should cooperate in the investigation. There will be no retaliation against you for cooperating in or being a part of an investigation.

so that complaints can be quickly and fairly resolved. You may make a complaint either verbally or in writing to IES Human Resources or to your IES contact. Supervisory personnel are required to report any complaint of misconduct immediately to Human Resources so that IES can try to resolve the claim internally.

If IES determines that harassment in violation of this policy or the law has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by IES to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to, and including termination. An IES representative will advise all parties concerned of the results of the investigation.

Any incidents of further harassment or retaliation should be reported immediately.

IES will not retaliate against individuals for filing a complaint or participating in an investigation and will not tolerate or permit retaliation by management, employees or co-workers. It is unlawful for an employer to demote, suspend, reduce, fail to hire or consider for hire, fail to give equal consideration in making employment decisions, fail to treat impartially in the context of any recommendations for subsequent employment which the employer entity may make, adversely affect working conditions or otherwise deny any employment benefit to an individual because that individual has opposed practices prohibited by law or has filed a complaint, testified, assisted or participated in any manner in an investigation, proceeding, or hearing conducted by the EEOC or other equal opportunity enforcement agency. If you believe that you have been retaliated against, you should submit a written complaint to Human Resources as soon as possible after the incident.

We ask for the opportunity to work with you through IES's internal complaint process, but you may also contact either the Equal Employment Opportunity Commission (EEOC) or (if the harassment occurs in California) the California Department of Fair Employment and Housing (DFEH) to report unlawful harassment or discrimination. The EEOC and DFEH serve as neutral fact-finders and will attempt to assist the parties to voluntarily resolve their disputes. For more information, contact IES Human Resources, or you may contact the nearest EEOC or DFEH office (<http://www.dfeh.ca.gov/>).

Although IES is not present at the workplace, we stand by our moral, ethical and legal obligation to provide each of our employees a work environment free from discrimination, harassment or other risks. Anytime you have a concern, question or change regarding your assignment, call us immediately.

**NEW YORK EMPLOYEES:** Please visit IES's employee resource center available through IES Worksite Portal Link:<https://www.innovativeemployeesolutions.com/employment-policies/> to view IES's Sexual Harassment Policy for employees working in the State of New York.

## 13. COMPLIANCE WITH IMMIGRATION POLICY

IES employs only United States citizens and those non-United States citizens who are authorized to work in the United States. IES will not discriminate on the basis of national origin or citizenship but will only employ individuals authorized to work in the United States. We will comply with all aspects of the Immigration Reform and Control Act of 1986.

As a condition of employment, each new employee must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and substantiating employment eligibility. IES participates in the E-Verify program for all new hires and provides the Social Security Administration (SSA)

and the Department of Homeland Security (DHA) information regarding your Form I-9 to confirm work authorization. If the government cannot confirm your work authorization, IES will provide written instructions and an opportunity to contact SSA and/or DHS before taking adverse action, including revocation of an offer of employment or termination of employment

## **14. ATTENDANCE POLICY**

Regular and dependable attendance of all employees is essential to the effective operation of our customer's business and is a necessary condition of employment. Your tardiness or absences affects normal business operation. In order to avoid slowdown in productivity, your co-workers or supervisor must cover your workload.

Employees are expected to report to work when scheduled. Whenever you know in advance that you are going to be absent, you should notify your immediate supervisor or designated manager. If your absence is unexpected, you should attempt to reach your immediate supervisor as soon as possible, but in no event later than one hour before you are due at work. In the event your immediate supervisor is unavailable, you must speak with a manager. If you leave a voicemail, you must provide a number where your supervisor may reach you if need be. If the client's policies or requirements regarding attendance differ from what is set forth above, you should follow their procedures.

IES reserves the right to request a doctor's note for any absence due to illness of three or more consecutive days.

Absence for one or more consecutive workdays, without notifying your manager, is considered voluntary termination and may affect your unemployment benefits.

## **15. MANDATORY TRAINING POLICY**

Education and training play a key role in clarifying expectations and responsibilities, while minimizing legal, financial and physical risks for employees, IES and clients. Mandatory training varies by position and job location but may include such things as sexual harassment or safety training. Employees are expected to complete all mandatory training in a timely manner. Failure to complete required training may result in discipline, up to and including termination of employment. The time an employee spends in mandatory training required by IES or by a client is considered time worked.

## **16. HOLIDAYS, VACATION AND OTHER LEAVE POLICIES**

IES clients dictate any paid time off for holidays and vacation. Please contact your supervisor to learn if you are eligible for any paid time off. Unless required by law, IES clients also dictate whether employees are entitled to paid sick days. Several states and municipalities provide for paid or unpaid leave time to cope with illness, injury, domestic violence or other similar issues. IES will comply with all applicable federal, state and local laws and regulations for time off and/or leave requests. For more information about whether you may be entitled to paid or unpaid sick or other leave, please visit IES's employee resource center through the IES Worksite Portal Link: <https://www.innovativeemployeesolutions.com/employment-policies/> or contact IES Human Resources at (858) 715-5100.

## LEAVE OF ABSENCE

IES complies with all state and federal regulations regarding an employee's request for a leave of absence. Please contact IES Human Resources if you have any questions.

## FAMILY AND MEDICAL LEAVE ACT (FMLA) POLICY

IES fully complies with the Family and Medical Leave Act of 1993 (FMLA). An eligible employee may take up to 12 workweeks of unpaid leave in a 12-month period for one of the following reasons:

1. The birth or placement for adoption or foster care of a child
2. To care for a family member (spouse, child, or parent) with a serious health condition
3. Because of your own serious health condition that renders you unable to perform your job functions
4. Because of any qualified exigency arising out of the fact that a spouse, son, daughter, or parent is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation.

In addition, an eligible employee may take up to 26 work weeks of unpaid leave in a 12-month period to care for a spouse, son, daughter or parent who is a covered service member and is recovering from a serious illness or injury sustained in the line of duty on active duty.

To be eligible for FMLA benefits, you must meet the following requirements:

1. Worked for IES for at least 12 months
2. Worked at least 1,250 hours over the 12 months preceding commencement of the leave
3. Work for a client of IES which has at least 50 employees in a 75 mile radius from the employee's worksite.

Employees seeking to take FMLA leave must, if possible, provide 30 days written notice to your worksite supervisor and to IES Human Resources. IES will coordinate the leave with you and the client company.

To view the full FMLA policy please visit the IES Worksite Portal Link:

<https://www.innovativeemployeesolutions.com/employment-policies/>

## OTHER FAMILY LEAVE

Certain states have laws that are quite similar to the FMLA, requiring employers to provide unpaid medical, caretaking, and/or parental leave. Typically, these laws overlap with the FMLA in many respects but may also offer additional benefits.

As of the date of this Handbook, the states listed below offer Paid Family Leave. Each state's plan and administration is handled differently, including eligibility requirements, benefit amounts and the duration of benefits.

- California (special rules apply in San Francisco)
- New Jersey
- New York
- Rhode Island
- Washington

- Washington, DC

To view information about family leave in your state, please visit IES's employee resource center available through IES Worksite Portal Link: <https://www.innovativeemployeesolutions.com/employment-policies/> or contact IES Human Resources at (858) 715-5100.

## SHORT TERM DISABILITY

Currently, the following states provide temporary disability benefits for employees. These states provide a minimum amount of short-term disability benefits to employees while they are prevented from working due to an off-the-job injury or illness. Each state's plan and administration is handled differently, including eligibility requirements, benefit amounts and the duration of benefits. If you live in one of the following states and would like to discuss your eligibility for short term disability, please contact IES Human Resources.

- California
- Hawaii
- New Jersey
- New York
- Puerto Rico
- Rhode Island

## JURY DUTY

Unless required by state law, IES does not provide for any jury duty pay unless authorized and approved by the client company.

## 17. AFFORDABLE CARE ACT

IES complies with the Affordable Care Act (ACA) and offers qualifying coverage to our benefits eligible employees.

IES classifies employees as either Full-Time or Variable Hour for ACA purposes, based upon information provided by our client/your worksite during the onboarding process.

## FULL TIME EMPLOYEES

A Full-Time Employee is defined as an individual working at least 30 hours per week. Employees identified as Full-Time at the time of hire, will be offered a health plan.

## VARIABLE HOUR EMPLOYEES

A Variable Hour Employee is defined as an individual hired on a temporary, intermittent, part-time (less than 30 hours per week) or seasonal basis. Employees hired as full-time but with unpredictable or inconsistent schedules may also be defined as Variable Hour. Employees identified as Variable Hour may, in some cases, become eligible for the IES health plan.

Variable Hour Employee's hours will be tracked over a 12-month period starting the first day of the month following the date of hire. If, at the end of the 12 month measurement period, the employee is determined to be eligible for health coverage because they averaged at least 130 hours per month, the employee will be offered plan coverage for the following 12 months. (The 12 month period in which a health coverage offer is owed is referred to as a "stability period".) Coverage is never available retroactively.

Employees will receive mail correspondence after completing the onboarding process clarifying benefits eligibility and benefits enrollment instructions, if applicable. You may review the IES Health & Welfare Plan & Summary Plan Description by contacting the IES Benefits Team at [benefits@innovative-es.com](mailto:benefits@innovative-es.com) or 858-715-5100 x164.

## 18. WAGE PAYMENT POLICIES

### PAY SCHEDULE

IES has weekly, bi-weekly, semi-monthly and monthly payrolls. Employees will be informed of their schedule at time of hire. IES payday is on Friday. If a scheduled payday falls on an IES observed holiday, employees will be paid on the following weekday. All required deductions such as federal, state and local taxes, and all authorized voluntary deductions, will be withheld automatically from employee paychecks.

Employees should review their pay stubs for errors. Please immediately report any mistakes to the IES payroll department.

#### \*\*\* IMPORTANT NOTICE \*\*\*

If you receive paper paychecks from IES (rather than using direct deposit), the abbreviated paystub included with your check may be missing some relevant information, including your hourly pay rate. Your actual paystubs may be accessed by logging onto Worksite. We strongly encourage you to review your online paystub each pay period to verify its accuracy. The link to IES Worksite is:

<https://worksite.innovativeemployeesolutions.com/login>

### TRACKING HOURS WORKED

IES is committed to complying fully with all applicable laws and regulations dealing with wage and hour issues, including, but not limited to minimum-wage requirements, meal and rest breaks, overtime pay, termination pay and off-the-clock work.

If you are paid on an hourly basis, it is very important that you record and submit all of the hours actually worked each pay period. You should immediately report any error in your time record to your supervisor or to the IES Payroll Department. Failing to accurately record your time is grounds for discipline, up to and including termination.

Working "off-the-clock" is strictly prohibited for hourly, non-exempt employees. Working off-the clock would include, for example, performing work before clocking in, running work-related errands on your meal break, or performing unpaid work at home. It is a violation of law and IES policy for you to work without compensation, or for a supervisor to request that you work without compensation. If you are asked or instructed by a supervisor to perform any work without compensation, you should immediately contact the IES Human Resources Department. IES will promptly investigate the matter. IES will not tolerate retaliation against any employee who makes a complaint or reports a violation of this policy.

## DIRECT DEPOSIT

IES offers direct deposit to all employees. To arrange for direct deposit, complete the Authorization for Direct Deposit found in the employee section of our website: [www.innovativeemployeesolutions.com](http://www.innovativeemployeesolutions.com). It takes approximately 3 weeks to set up direct deposit, once we've received your authorization form. In the meantime, your paycheck will be mailed to you.

## OVERTIME

IES conforms to Federal overtime laws requiring that hourly and salaried non-exempt employees get paid overtime for hours worked over 40 hours in a workweek (Monday through Sunday).

### Exceptions:

- *Alaska, Nevada, and Puerto Rico pay overtime after working eight hours a day.*
- *Colorado pays overtime after working twelve hours a day or over 12 consecutive hours.*
- *California pays overtime after working eight hours a day, and for the first eight hours of work on the seventh consecutive day of work in a workweek, and pays double-time for each hour worked over twelve hours in the same workday and all hours worked in excess of eight hours on the seventh consecutive day worked in any one workweek.*
- *Kentucky pays overtime for all hours worked on the 7th day for employees who work 7 days in a single week.*
- *Oregon pays overtime for all hours worked more than 10 hours a day for employees working in mills, factories, or certain manufacturing jobs.*
- *Rhode Island pays overtime for time worked on Sundays and holidays for certain retail and other specified businesses.*

## JOB CLASSIFICATIONS

For the purposes of salary administration and eligibility for overtime payments and employee benefits, this Guide applies to our employees who have been recruited and made an offer to work at a client company, with IES being the employer-of-record for purposes of payroll and benefits administration, workers compensation, and records management.

Employees must notify your supervisor and an IES Human Resources Representative in writing if you believe you are improperly classified in an exempt position.

## REST AND MEAL PERIODS

IES complies with all federal and state regulations regarding rest and meal periods. Please see IES Human Resources for a complete review of the Rest and Meal Period regulations applicable in your work state.

**California Employees:** please visit IES's employee resource center through IES Worksite Portal Link:

<https://www.innovativeemployeesolutions.com/employment-policies/> to view IES's California Meal and Rest Break Policy.

## SAFE HARBOR POLICY FOR EXEMPT EMPLOYEES

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for IES. This salary will be established at the time of hire or classification as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

You will receive your full salary for any workweek in which work is performed. However, under federal and state law, your salary is subject to certain deductions. For example, unless state law requires otherwise, salary can be reduced for the following reasons:

- Full-day absences for personal reasons.
- Full-day absences for sickness or disability.
- Disciplinary suspensions of a full day or more for infractions of safety rules of major significance (including those that could cause serious harm to others) or for unpaid disciplinary suspensions of a full week or more for significant infractions of major workplace conduct rules set forth in written policies.
- Family and Medical Leave absences (either full- or partial-day absences).
- To offset amounts received as payment from the court for jury and witness fees or from the military as military pay.
- The first or last week of employment in the event the employee works less than a full week.
- Any full work week in which the employee does not perform any work.

Your salary may also be reduced for certain types of deductions such as a portion of health, dental or life insurance premiums; state, federal or local taxes; social security; or voluntary contributions to a 401(k) or pension plan. In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability.
- An absence because our client has decided to close its offices on a scheduled work day.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you performed any work (subject to any offsets as set forth above).
- Any other deductions prohibited by state or federal law.

However, unless state law provides otherwise, deductions may be made to accrued PTO for full or partial-day absences for personal reasons, sickness or disability. Your salary will not be reduced for partial day absences if you do not have accrued PTO.

If you believe your salary has been subject to any improper deductions, you should immediately report the matter to an IES Operations Team member at (858) 715-5100 Ext 139. If they are unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact IES Human Resources at (858) 715-5100.

Reports of improper deductions will be promptly investigated. If it is determined that an improper

deduction has occurred, you will be promptly reimbursed for any improper deduction made.

## 19. SUBSTANCE ABUSE POLICY

Substance abuse has an adverse impact on an employee's work, personal, and family lives, as well as on the ability of IES to fulfill its mission to provide the highest quality services to our clients. It can cause poor performance, decrease productivity, and create safety hazards. Consequently, IES is committed to establishing and maintaining an alcohol and drug-free workplace.

### PROHIBITED ACTIVITIES

- The illegal use, distribution, dispensation, sale, offering for sale, possession, purchase, manufacture, trading, or being under the influence, of drugs on IES premises, client premises, or in any other work-related environment is strictly prohibited.
- "Drugs" include all substances identified as "controlled substances" under federal or state law, including marijuana. "Illegal" means activity illegal under any federal, or applicable state or local law. The prohibition of illegal drug activity includes occasions when an employee is representing IES or one of our client companies at events and meetings beyond normal work hours.
- Conviction of a crime involving controlled substances.
- Except as set forth below, unauthorized use or possession, being under the influence (blood alcohol content above .00%) on company premises, or being convicted of a crime involving alcohol.
- Tampering (i.e. adulterating, switching, substituting, etc.) with a urine sample.
- Refusing to cooperate with IES's Drug and Substance Abuse Policy or to submit to a drug test when requested.

### ALCOHOL

Employees are not permitted to consume alcohol while on IES premises, client premises, or while conducting client company business. This does not include official day or evening functions at which alcohol may be served, as long as use does not prevent employees from performing their jobs satisfactorily or pose any threat to the safety or welfare of the employee or others.

### PRESCRIPTION AND OTC DRUGS

Employees are prohibited from the misuse or abuse of prescription and over-the-counter (OTC) drugs. The use of any legally obtained drug by any employee while at work or on client premises is prohibited to the extent that such use may adversely affect the workplace or the safety of the employee or others.

### DRUG TESTING

Drug Testing may be done in the following circumstances:

- Pre-employment: All employees will be subject to post-offer/pre-employment drug testing.
- Reasonable suspicion of drug/alcohol use.
- Post work-related accident.

### REASONABLE SUSPICION SCREENING

In case of reasonable suspicion that an employee may be involved with illegal drugs or may be under the influence of illegal drugs or alcohol use while at work, drug screening will be required at the determination of IES.

Employee agrees if IES has reasonable suspicion of drug and/or alcohol use or abuse by employee, IES shall be entitled to request that the employee submit to reasonable and appropriate drug and/or alcohol testing by a qualified third party testing facility and that the results of such testing may be provided to Innovative Employee Solutions. Employee further understands and agrees that if he/she refuses to submit to such testing this Agreement and the employment relationship may be terminated by IES.

Such suspicion is determined in a case-by-case basis based upon the specific facts and circumstances involved. Reasonable suspicion may be from among other things:

The result of an employee in a work related accident or an incident or other circumstances which result in, or could have resulted in, personal injury or damage to property, in which IES reasonably suspects that the employee was impaired by illegal drugs or alcohol at the time of the incident.

Evidence of illegal drug involvement or behavior of an employee that causes IES to have reasonable belief, based on observation of the employee's speech, hearing, judgment, appearance, odor or other observable actions.

## POST WORK-RELATED ACCIDENT TESTING

Any employee involved in an on-the-job accident or injury may be asked to submit to a drug and/or alcohol test in circumstances where a reasonable likelihood exists that drug or alcohol use may have contributed to the accident or injury. "Involved in an on-the-job accident or injury" means not only the one who was or could have been injured, but also any employee who potentially contributed to the accident or injury in any way. Post incident testing should be conducted as soon as reasonably practical following the injury or accident.

Circumstances where post-accident testing may be appropriate include, but are not limited to: causing or contributing to an accident that seriously damages a vehicle, machinery, equipment or property; slips, trips or falls where there is no reasonable explanation as to the cause; failure to follow training or procedures such as improper use of tools or equipment; absent or improper PPE; or going to or being in an inappropriate place.

Circumstances where post-accident testing may not be appropriate include, but are not limited to: An act of God or nature (e.g. a snake bite); the act of a third party (e.g. another employee drops a tool on the employee's head); equipment failure (e.g. a tool or ladder breaks through no fault of the employee); illness, sickness or natural exposure (e.g. heat exhaustion, poison oak, or respiratory injury); or a normal work activity strain or soreness (e.g. carpal tunnel or other repetitive motion injuries). However, if it appears the employee did something unusual to cause the injury, for example poking the snake with a stick or fighting with the employee who then drops a tool on him, testing may be appropriate.

**Legally mandated drug and alcohol testing:** Post accident testing will be conducted in compliance with federal and states rules and regulations where required by law, (e.g. Department of Transportation rules)

## RE-ANALYSIS

If an applicant or current employee's urine specimen tests positive for a controlled substance and cannot be substantiated with a valid prescription, the applicant will have an opportunity to challenge the findings by having a portion of his/her original specimen re-analyzed by a MRO (Medical Review Officer) approved referee laboratory.

The applicant is solely responsible for requesting re-analysis and must contact the MRO within 72 hours of being notified by an IES representative of his/her adverse results and for the applicable fees for the referee laboratory services. Should the original positive test result for an applicant be confirmed, the employment process will cease immediately except where prohibited by law and/or regulation.

## TECHNICALLY INSUFFICIENT SPECIMEN

If an applicant's specimen is deemed negative-dilute or technically insufficient for analysis, the applicant will have a maximum of 24 hours following notification of such result to provide one final specimen to the laboratory. If the final specimen, once again, is found to be negative-dilute or technically insufficient the applicant will not be permitted to provide another urine specimen and will be subject to disciplinary action, up to and including termination or denial of employment, except where prohibited by applicable law and/or regulation.

If the applicant claims to have a medical reason that interferes with his/her ability to produce a urine sample, he/she must contact a licensed medical physician to determine whether there is a medical condition causing the problem. The applicant will need to provide written medical documentation within 24 hours or the next business day, whichever is longer, of notifying IES of the problem to the MRO. This is not a request for a urinalysis, but a medical examination to determine whether prescribed medication or other illness may prevent the individual from providing a normal urine specimen for the purpose of drug screening. The physician will be required to communicate this medical documentation to the MRO, who will subsequently make a final determination. The applicant will be solely responsible for the cost of the medical visit. An individual unable to produce a urine sample because of a medical condition will be provided with reasonable accommodation, which may include being given an opportunity to be tested using an alternative drug screening method.

If an individual's drug screen results are determined to be adulterated or substituted, the test will be reported as "Refused" and considered a failure to comply with the drug testing process. In this case, the applicant will be denied employment or will be subject to termination of employment.

## CONFIDENTIALITY

IES will attempt to keep all information and records concerning an individual's medical history or problematic or positive drug test confidential and maintained separate from employee personnel files. Individuals at IES shall have access to the individual problematic or positive drug screen result on a need-to-know basis only. IES may share the result of drug or alcohol tests with clients (and other companies where the employee may be eligible to be assigned through the client) on a need-to-know basis only. On the other hand, the pre-employment drug screening negative test result will remain a part of the individual's personnel file.

## REHIRE

If an individual is denied employment, or an employee is terminated from employment under the above policy, IES will not consider employing, or re-employing the individual for a period of one (1) year following the date of the positive drug test or other Prohibited Activity.

## STATE AND CITY SPECIFIC LAWS

IES complies with all federal, state and local laws regulating drug testing. To the extent that any jurisdiction requires additional or different procedures when drug testing applicants or employees, IES will adhere to the legal requirements of that jurisdiction.

IES will comply with all state specific marijuana laws to the extent they do not conflict with federal law.

## 20. CONFIDENTIALITY POLICY

It is the policy of IES to keep all past and present employee information private from disclosure to third parties. There are certain business-related exceptions and they are:

1. Where the individual who is the subject of disclosure has provided written consent;
2. Where the disclosure is in accord with the purposes for with the information was originally collected, for example disclosure to IES's current or prospective clients, customers, others with a need to know, and/or their agents for business reasons (e.g. to place an employee in certain employment positions, jobs, worksites, etc.);
3. Where IES is permitted or required to do so by applicable legislation or regulation;
4. Where the disclosure is directed to third parties with whom IES has contractual agreements to assist in administration of company sponsored benefits.
5. Where the disclosure is required by authorized County, state or federal government agencies who are acting to enforce laws or carrying out an investigation relating to the enforcement of any law or gathering information for the purpose of enforcing any law;
6. Where IES is required to comply with valid court orders, warrants or subpoenas or other valid legal processes; and,
7. Where IES deems it necessary during the hiring process, or during your assignment, IES may share your personal and confidential information with the client and/or other companies where you may be assigned by the client.

## VERIFICATIONS OF EMPLOYMENT

Prospective employers, financial institutions, and residential property managers routinely contact IES requesting information on a former or current employee's work history and salary. All such requests of this type shall be referred to and completed on a confidential basis by IES's third party vendor, The Work Number. Please call 800-367-5690 and refer to employer code 16219.

For written verification of employment requests, information will be provided on the form only when it is accompanied by an employee's signed authorization to release information. The form will be returned directly to the requesting party and filed in the employee's personnel record.

Telephone inquiries will be limited to confirming data provided by the external party for position and dates of employment only. IES will not offer additional information without signed authorization.

## MEDICAL INFORMATION/HIPAA

IES is compliant with federal HIPAA regulations and only utilizes information related to the company sponsored healthcare plan on a “need to know” basis for administration of the healthcare plan.

IES will consider any breaches in the privacy and confidentiality of handling of Protected Health Information (“PHI”) to be serious, and disciplinary action will be taken in accordance with our code of conduct. Any breaches will be documented and affected individuals, HHS and the media will be notified per state and federal law.

IES has designated a HIPAA compliance officer (HCO), and questions regarding policy provisions should be addressed to the HCO. This policy is supplemented by new operating procedures issued by the HCO and will be effective immediately. Company records that are governed by this policy will be maintained for a period of no less than six years, and when the maximum retention period has passed, the records will be subject to the company’s policy for completed record destruction.

## IES SYSTEMS

Our business requires tracking of employee data in computer applications for processing of payroll, offering benefits, and providing self-service tools for data such as W2s, and payroll history. IES has security practices in place to ensure the privacy your information.

## 21. EQUIPMENT POLICY

Employees are responsible for all Client property issued to them throughout the course of their employment with IES and must take proper care of all IES and IES Client equipment with which they are entrusted. If Employees are provided with a badge or other form of access to IES’s Client property, this must be used to access the building for work purposes only.

Employees must immediately return all IES and IES Client property, including badges or other access devices: a) Upon termination of employment with IES, or, b) at the request of IES or Client management.

Employees may be held financially liable for the cost of damaged or unreturned property, including but not limited to, the reasonable cost of retrieval of the property. Failure to return equipment upon demand or upon separation may be considered theft and may lead to criminal prosecution.

## 22. INTELLECTUAL PROPERTY

### ASSIGNMENT OF INVENTIONS AND INTELLECTUAL PROPERTY

Subject to the limits of the law, all Inventions and intellectual property created or prepared by Employee either (i) in the course and scope of Employee’s employment with IES at the Client’s site, (ii) during IES and the Client’s normal business hours during the term of Employee’s employment by IES, or (iii) while utilizing any of IES or Client’s Proprietary Information or resources (collectively, “Assigned Inventions and IP”), shall be considered specially commissioned works and works made for hire, and regardless of whether works

made for hire, IES shall exclusively own all Assigned Inventions and IP and all rights, title, interests and privileges therein, including, but not limited to, all patent rights in all countries and jurisdictions. Employee agrees to assign, and upon creation of any Assigned Invention does hereby assign, to IES, without further consideration, the entire right, title, interest, and privilege (throughout the United States of America and in all other countries and jurisdictions), free and clear of all liens and encumbrances, in and to all Assigned Inventions and IP. Employee further agrees to execute any documents that may be necessary or desirable to effect, enable, confirm, or evidence such assignment. Notwithstanding the foregoing, IES may, in its discretion, agree to provide consideration for certain Inventions through a written agreement between IES and Employee which specifically provides for such consideration; in all other cases, no consideration shall be paid. The Assigned Inventions and IP shall be the sole property of IES, whether or not patentable. In addition, Employee agrees to maintain adequate and current written records on the development of all Assigned Inventions and IP, which shall also remain the sole property of IES. Employee understands that "Inventions" means all ideas, processes, inventions, works of authorship, technology, designs, formulas, discoveries, devices, symbols, marks, methods (of doing business or otherwise), and all subject matter that may be protectable by patent, copyright, trade secret, trademarks, or by any other proprietary rights, along with all applications, registrations, government grants, and rights to the same, and all improvements, continuations (of any form), rights, and claims related to any of the foregoing, that are created, authored, made, invented, discovered, conceived, developed, or reduced to practice by Employee alone or with others. IES's right, title, interest, and privilege in and to Assigned Inventions and IP shall not be affected in any way by the termination of Employee's employment with IES (for any reason whatsoever or for no reason). IES maintains the right to assign all interests to Client company, subject to agreements between Client and IES.

## 23. SECURITY POLICY AND PROCEDURES

### INTRODUCTION

IES has entered into a Security Agreement with the Department of Defense ("DOD") in order for our contract employees to have access to information that has been classified because of its importance to our nation's defense. Our policies and practices conform to the security requirements set forth in the National Industrial Security Program Operations Manual ("NISPOM").

### FACILITY SECURITY OFFICER

IES holds a Top-Secret Facility Clearance which permits IES to hold Top Secret and Secret clearances for employees who are payrolled through IES. IES is required to follow the rules of the NISP, including appointing a Facility Security Officer ("FSO"). Chantel Pettengill is the FSO for IES. She can be reached at (858) 715-5106 or [cpettengill@innovative-es.com](mailto:cpettengill@innovative-es.com).

### CLEARANCE PROCEDURES

IES requires a Subcontractor DD254 (DoD Contract Security Classification Specifications) from its clients that require employees to have a security clearance in order to perform specified duties. A "Justification for Security Clearance" completed by the client's manager, is also required for IES to process ownership of an employee's eligibility. Once the Justification is received, the FSO will initiate the clearance process.

## ASSESSMENTS/INSPECTIONS

The Defense Security Service (“DSS”) is the government agency responsible for oversight of procedures and practices for safeguarding classified defense information. IES will be assessed by the DSS periodically. During this time, the DSS will review security processes and procedures to ensure compliance with the NISPOM and may interview IES employees. All IES employees are required to cooperate with the DSS during this assessment.

## INDIVIDUAL REPORT REQUIREMENTS

All IES employees are required to report any of the following to the FSO:

1. **ESPIONAGE/SABOTAGE** – this would include existing or threatened espionage, sabotage or subversive activities by any individual.
2. **SUSPICIOUS CONTACTS** – this would include efforts by any individual, regardless of nationality, to obtain illegal or authorized access to classified information, or to compromise cleared employees.
3. **ADVERSE INFORMATION** – this would include in any information regarding a cleared employee or employee in the clearance process which suggests that his/her ability to safeguard classified information may be impaired, including:
  - Relationships with any known saboteur, spy, traitor, anarchist, or any espionage or secret agent of a foreign nation
  - Serious mental instability or treatment at any mental institution
  - Use of illegal substances or excessive use of alcohol or other prescription drugs
  - Excessive debt, including garnishments on employee's wages
  - Unexplained affluence/wealth
  - Unexplained absence from work for periods of time that is unwarranted or peculiar
  - Criminal convictions involving a gross misdemeanor, felony, or court martial
  - Violations and deliberate disregard for established security regulations or procedures
  - Unauthorized disclosure of classified information
  - Members of, or individuals sympathetic to, an organization aiming to overthrow the U.S. Government by unconstitutional means.
  - Involvement in the theft of, or any damage to, Government property

In addition, all cleared personnel must report:

- Any adverse information about themselves
- Any failure to comply with a requirement of this SPP or the NISPOM
- Any personal changes (e.g. name change, termination of employment, change in citizenship)
- If there is no longer a need for their security clearance.

## SECURITY INCIDENTS

The ability and willingness to follow the rules for protection of classified information is a prerequisite for maintaining a security clearance. All employees who possess a U.S. Government security clearance under IES sponsorship are subject to a graduated scale of disciplinary actions for any security incidents.

## DEFINITIONS

- A. Security Incident – a failure to safeguard classified documents, materials or items.
- B. Security Infraction – a security incident that, in the judgment of the FSO does not result in actual or possible compromise of information. An infraction is more administrative in nature, but are required to be documented to deter patterns of neglect.
- C. Security Violation – a security incident that, in the judgment of the FSO could result in actual or possible compromise of information.

## REPORTING AND ADJUDICATION OF SECURITY INCIDENTS

All security incidents will be reported to the FSO. Employees must inform the FSO orally or in writing of any improper security practice that comes to the employee's attention. Upon the discovery or report of a security incident, the FSO will open a file on the incident and start an investigation. The investigation may be conducted by the FSO and/or her designees (which could include but is not limited to, a Client's FSO, supervisor and/or project manager).

## DISCIPLINARY ACTIONS

- A. All employees that have the responsibility to safeguard classified information from unauthorized access are subject to disciplinary actions.
- B. Potential or actual infractions or violations must be reported immediately to the FSO.
- C. The disciplinary action to be taken for a specific security infraction or violation will be decided by the FSO, in consultation with the Client's FSO and/or DSS representative as appropriate. The disciplinary actions that may be taken include:
  - Retraining
  - Verbal warning
  - Verbal reprimand
  - Written reprimand
  - Suspension of security clearance
  - Termination of security clearance
  - Criminal actions
- D. This guide does not dictate the disciplinary action to be taken, rather, it establishes a range of options that can be taken to ensure the safety and security of personnel and property. The action to be taken will be based upon the severity of each or subsequent infraction or violation and may include none, any, or all of the actions listed. Multiple infractions or violations raise doubts about an individual's trustworthiness and ability to safeguard classified information.
- E. Per NISPOM section I-304 entitled "Individual Culpability Reports," any security violation that deliberately disregards security requirements, or, involves gross negligence in the handling of classified material, or, was not deliberate in nature but involves a pattern of negligence or carelessness will be reported to the DSS. Also, the deliberate disclosure of classified information will be reported to the FBI for criminal investigation.

F. Disciplinary actions taken pursuant to this Policy are in addition to, and do not preclude the possibility of, other disciplinary action for violation of IES policies and procedures, up to and including termination of employment.

## ADDITIONAL INFORMATION

The DOD has a confidential hotline where individuals can report allegations of wrongdoing relating to programs, personnel, and operations under DOD jurisdiction. The number is (800) 424-9098.

For more detailed information about IES's practices and procedures relating to security clearances, please see IES's "Standard Practices and Procedures for Security Requirements" dated June 2014. A copy of the document may be obtained from the FSO or HR.

## 24. DRIVING POLICY

It is the policy of IES to strive for the highest safety standards. If an employee is required to drive during the course of their employment, the following conditions shall apply:

### GENERAL QUALIFICATIONS/REQUIREMENTS

1. The employee must be at least 21 years old in order to drive as part of his/her job duties.
2. Must have the ability to operate the equipment assigned to him/her.
3. The employee must report to IES, any Minor or Major violation as defined in IES Motor Vehicle Report Criteria below, within 24 hours.

### SAFE DRIVING PRACTICES

1. The employee is required to follow all safe driving and highway regulations.
2. Seat belts must be worn at all times by the driver and any passengers.
3. Employees must refrain from using any personal communication devices (PCD), including handheld wireless devices, cell phones (unless hands free), and pagers while driving. When it is necessary to use a PCD, employees must drive to a safe area and use the device while the vehicle is not in motion.

### MOTOR VEHICLE REPORT (MVR) CRITERIA

IES will obtain the employee's driving record (MVR) prior to the employee beginning employment. The MVR Policy applies to both drivers of company owned vehicles as well as employees using personal vehicles in the course of company business.

The following criteria applies when determining MVR acceptability levels for prospective employees and current drivers.

<b>Minor Violations:</b> Any moving violation other than a <b>major</b> except:	<b>Major Violations:</b>
<ul style="list-style-type: none"> <li>• Motor vehicle equipment, load or size requirement</li> <li>• Improper failure/to display license plates (if they</li> </ul>	<ul style="list-style-type: none"> <li>• Driving under the influence of alcohol/drugs</li> <li>• Failure to stop/report an accident</li> </ul>

exist) <ul style="list-style-type: none"> <li>• Failure to sign or display registration</li> <li>• Failure to have driver's license in possession (if valid license exists)</li> </ul>	<ul style="list-style-type: none"> <li>• Reckless driving/speeding contest</li> <li>• Driving while impaired</li> <li>• Making a false accident report</li> <li>• Homicide, manslaughter or assault arising out of the use of a vehicle</li> <li>• Driving while license is suspended/revoked</li> <li>• Careless driving</li> <li>• Attempting to elude a police officer</li> </ul>
--	--

## INSTRUCTIONS

MVR's are defined as "clear"; "acceptable"; "borderline"; and "poor"; based upon the number of violations and at-fault accidents in the last 3 years. Review the definitions below and refer to the following chart.

### MOTOR VEHICLE RECORD GRADING CRITERIA (LAST 3 YEARS):

Number of Minor Violations	Number of At-Fault Accidents (last 3 years)				
0	0	1	2	3	
1	Clear	Acceptable	Borderline	Poor	
2	Acceptable	Acceptable	Borderline	Poor	
3	Acceptable	Borderline	Poor	Poor	
4	Borderline	Poor	Poor	Poor	
<b>Any Major Violation</b>	Poor	Poor	Poor	Poor	

MVR's will be examined prior to the start of employment and at least annually thereafter. Any job offer made to a prospective employee for a position with driving duties shall be contingent upon an MVR meeting the required standards. Continued employment in a position with driving duties also requires that the driver's MVR meets the standards outlined below.

1. All employees must have a current driver's license which is valid in accordance with the rules and regulations of the state in which he/she is domiciled to be permitted to drive on the job. In addition, employees must have had a valid driver's license (in their current or prior domicile(s)) for at least the last three years. Employees who have not had a valid license for the past three years will be considered for driving eligibility on a case-by-case basis. Factors to be considered in determining whether the individual is eligible to drive include, but are not limited to: years of driving experience and the history and reason for any license suspensions.
2. No employee with less than 5 years' experience will be permitted to drive with a "borderline" MVR as defined. Employees with a "borderline" MVR who have 5 or more years' of driving experience will be assessed on a case-by-case basis. Factors to be considered in determining whether the individual is eligible to drive include, but are not limited to: years of driving experience, and the nature and age of minor violations and at-fault accidents.

3. No employee will be permitted to drive with a “poor” MVR as defined.
4. Driving records must remain “acceptable” or “clear” (or approved borderline as defined above) for continued employment in a position requiring driving duties.
5. Where warranted by the facts and circumstances, IES may make an exception to the above standards for existing employees only. IES will review requests for such exceptions on a case-by-case basis.

## INSURANCE

The employee must provide IES with a copy of his/her automobile insurance information. Employee insurance information is not required where the employee will only drive client-owned or client-leased vehicles. In the event the employee’s insurance coverage changes during the course of his/her employment, including, but not limited to any change in level or type of coverage, change in carrier, or cancellation of insurance by the employee or the carrier, the employee must provide notice to IES within 24 hours. The employee will be disqualified from driving in the course of his/her employment until proof of adequate automobile insurance is provided to IES.

## DRIVER’S LICENSE

Drivers will be required to maintain a valid license in accordance with the rules and regulations of the state in which he/she is domiciled. In the event the employee’s driver’s license expires or is revoked or suspended, the employee must notify IES within 24 hours. The employee will be disqualified from driving in the course of his/her employment until his/her license is reinstated.

## DRIVING RECORDS

IES shall maintain the following information in the employee’s personnel file:

1. The Annual Motor Vehicle Report
2. A copy of employee’s proof of insurance

## RENTAL CARS

When driving a rental car, full insurance must be purchased from the rental car agency if the employee does not maintain their own automobile insurance.

## EMPLOYEE REIMBURSEMENT FOR MILEAGE

State law may apply when an employee drives a personal vehicle for work requiring employee reimbursement for mileage at the IRS rate.

## VIOLATION OF POLICIES

If any of the above policies are not followed, IES will not be in any way responsible for damages. Further, violation may be grounds for termination of employment.

## 25. TELECOMMUTING POLICY

IES considers telecommuting to be a viable alternative work arrangement in cases where the employee (telecommuter) and the supervisor have considered the job responsibilities and determined the expectations can be met by this arrangement. Telecommuting allows an employee to work at home, on the road, or in a satellite location for all or part of their regular workweek. Telecommuting is a voluntary work alternative that must be approved by the supervisor.

Any telecommuting arrangement may be discontinued at will, at any time at the request of the telecommuter, the client, or IES.

At the time a telecommuting arrangement is being offered, the client will determine, with information supplied by the telecommuter, the appropriate office equipment requirements. The telecommuter is responsible to establish an appropriate work environment for work purposes. IES will not be responsible for costs associated with initial setup of the employee's home office.

Consistent with IES and client policies regarding proprietary and confidential information, telecommuters will be expected to ensure the protection of information accessible from their home office. Steps include, but are not limited to, use of locked file cabinets, secure internet, regular password maintenance, and any other steps appropriate for the job and the environment.

The telecommuter and the supervisor must agree on the number of days of telecommuting allowed each week, the work schedule the telecommuter will customarily maintain, and the manner and frequency of communication. The telecommuter agrees to be accessible by phone or email within a reasonable time period during the agreed upon work schedule.

Telecommuting employees are expected to adhere to all IES and client policies and procedures. Telecommuters who are not exempt from the overtime requirements of the Fair Labor Standards Act will be required to record all hours worked in a manner designated by the client and/or IES. For hourly employees, hours worked in excess of those specified per day and per work week, in accordance with state and federal requirements must be recorded on your timecard. Failure to comply with this requirement can result in the immediate cessation of the telecommuting agreement.

Telecommuter offices shall be maintained in a safe condition, free from hazards and other dangers to telecommuter and equipment. Worker's compensation liability shall be limited to this workspace. Telecommuters may not invite coworkers, subcontractors and vendors to the telecommuting workspace and are personally liable for injuries to third persons and/or members of employee's family at the telecommuting work location. Telecommuters must notify the IES Human Resources department of any job-related injury or illness.

Telecommuting employees are provided a copy of IES's Telecommuting Policy and must agree to abide by all the provisions indicated in that policy and all other IES policies. A telecommuting agreement does not in any way modify or change the "at will" employment relationship with IES, therefore, either IES, the client or the employee can terminate the employment relationship, or the telecommuting agreement, at any time with or without cause or notice.

## 26. SAFETY POLICY

IES is totally committed to safety and loss control and it is our intention that each employee shall work

under the safest conditions possible.

We strive to maintain a safe workplace and equipment that is free from recognized hazards. It is our goal to ensure our clients provide you with appropriate information, training, supervision, and personal protection equipment so that you can perform your job in a safe and proper manner. IES follows all OSHA and Federal and State Laws regulating work place safety.

We believe that most accidents can be avoided by using common sense and personal initiative. It is not our intention that you should perform any task that you believe is unsafe. Our clients have been instructed to teach and guide employees unfamiliar with safe operations and practices. Many accidents occur when employees take short cuts and ignore established safety rules and regulations. Established safety rules and regulations are to be followed at all times.

Each employee shall be responsible for their performance and adherence to our safety rules. Failure to do so can lead to disciplinary action or dismissal. Any employee who feels unsafe in his or her workplace should notify their supervisor and contact IES Human Resources as soon as possible.

## REPORTING AN INJURY

It is our hope that you are never injured. In such an event, however, we want you to have the best and most immediate care available. If you are injured on the job, please refer to the following instructions:

### **In the event of a non-emergency workplace injury:**

1. Report the injury to your onsite supervisor
2. Call 1-800-775.5866 to discuss your injury with a qualified triage nurse.
3. If medical attention is necessary, the nurse will refer you to an approved medical facility.

### **If your accident is an emergency:**

1. Seek emergency medical assistance immediately.
2. Contact Innovative Employee Solutions at 858.715.5100

To avoid any confusion with doctor's bills, you must inform the treating facility that you are employed by Innovative Employee Solutions.

It is your responsibility to report an injury should one occur.

## 27. WORKPLACE VIOLENCE POLICY

Violence in the workplace poses a threat to the safety of employees and the public and affects productivity. IES is committed to maintaining a workplace that is free from violence or threat of violence.

All employees have the right to expect a place of employment that is free from behavior that can be considered harassing, abusive, disorderly, or disruptive. IES does not tolerate any violent behavior or behavior that creates a climate of violence, hostility, or intimidation.

Any employee or representative of IES who engages in acts of workplace violence is subject to discipline up to and including termination. Such conduct includes, but is not limited to the following:

1. Violent or threatening physical contact;
2. Direct or indirect threats;
3. Threatening, abusive or harassing phone calls;
4. Possession of a weapon on company property;
5. Destructive or sabotaging actions against company or employees' personal property;
6. Stalking;
7. Violation of a restraining order;
8. Threatening acts or abusive language that subjects another individual to extreme emotional distress.

Any person who makes substantial threats, exhibits threatening behavior, or engages in violent action on IES premises shall be removed from the premises as quickly as safety permits, and shall remain off IES premises pending the outcome of an investigation.

Any employee subject to, or witnessing an incident of workplace violence should report the incident to his/her supervisor or Human Resources. Any employee who believes a life-threatening situation is occurring should immediately dial 911 and request assistance.

Any employee who obtains a protective restraining order, which lists work premises as being a protected area, must provide Human Resources with a copy of any temporary or permanent protective or restraining order. Only those members of IES staff having a need to know shall have access to information regarding a restraining order.

## **28. IMPORTANT NOTICES REGARDING LAWS IN YOUR WORK STATE/CITY**

The United States, and many states and individual cities have laws and rules governing employee rights, including, for example, the right to be free from employment discrimination, minimum wage laws, paid sick leave laws, rights during pregnancy, illness or during and after military deployments, workers compensation, unemployment benefits, whistle-blower protections and time off to vote. It is not possible to include all of this information in one handbook. For important information regarding these and other laws affecting your rights, please visit IES's Employee Center available through IES Worksite Portal Link: <https://www.innovativeemployeesolutions.com/employment-policies/>.