



LUMBEE TRIBE ENTERPRISES, LLC

# EMPLOYEE HANDBOOK 2019

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## **INTRODUCTION**

The Lumbee Tribe Enterprises, LLC (LTE) Employee Handbook is a summary and guideline of general policies, practices, and programs that may affect you during your employment with the company. Although we will attempt to communicate any changes promptly through normal channels, the provisions of these policies may be modified, amended, or deleted by the company at any time at its sole discretion without prior notice. All amendments to these policies shall be made solely by the President, or other senior officials designated with such authority by the President. The Human Resources Director will oversee the administration of this policy.

The information contained in this handbook applies to all employees of LTE. The contents of this handbook shall not constitute an employment contract or a legal document. The President is the only official who can make binding employment contracts.

### **Employment-at-Will**

North Carolina is an employment-at-will state, and accordingly, employment with LTE is voluntary and is subject to termination “at-will” by you or LTE, with or without cause, and at any time, with or without notice. Nothing within these policies shall be interpreted to be in conflict with or to eliminate or modify in any way the employment-at-will status of LTE employees.

This policy of employment-at-will may not be modified by any officer or employee of the company and shall not be modified in any publication or document. The only exception to this policy is a written employment agreement approved at the discretion of the President of the company.

### **About LTE**

Lumbee Tribe Enterprises, LLC (LTE) is a small business owned by the Lumbee Tribe of North Carolina and was established in May of 2011 to provide products and services to Industry and Government partners. LTE is headquartered in Pembroke, NC and has a remote operating location in Stafford, VA.

The capabilities of LTE are as diverse as the skill sets of the Lumbee Tribe. LTE personnel have backgrounds in construction, manufacturing, engineering, information technology, management, human resources, finance, and the military.

### **Initial Employment Period**

Every employee at LTE goes through an initial employment period with the duration lasting up to three months. This period allows time for the employee to adjust to the business environment of the company and gives supervisors a practical time frame to evaluate his/her performance. Supervisors conduct a monthly evaluation of employee performance during this period (30-60-90-day review). During this process, the employee is afforded training and direction on how to execute and complete the tasks and duties assigned. Employees who do not progress or perform their responsibilities at an acceptable performance rate may be susceptible to termination.

# **EMPLOYMENT POLICIES, PRINCIPLES & PROCEDURES**

## **Equal Employment Opportunity (EEO) & Affirmative Action Policy (AAP)**

LTE is an Equal Employment Opportunity and Affirmative Action employer. Our commitment to equal employment opportunity extends to all job applicants and employees and to all aspects of employment, including recruitment, selection, placement training, assignment, promotion, compensation, transfer, layoff, reinstatement, termination, and all other matters of employment.

We uphold our commitment to good faith efforts to attain the goals indicated in the Affirmative Action Plan. We further pledge our support for the objectives of the Affirmative Action Plan and for a work environment free of discrimination. The Affirmative Action Plan will be updated and revised annually in accordance with legislative and regulatory changes and court rulings. Our goal is to assure true equal employment opportunity for all.

LTE extends equal employment opportunity to all qualified individuals on the basis of merit, fitness and industry as established by appropriate tests, without regard to race, color, national origin, ancestry, sex, religion, age, mental or physical disability, veteran status, medical conditions, marital status, or pregnancy. We recognize that equal employment opportunity requires affirmative steps to ensure the full utilization of people of all backgrounds who possess the best available skills.

*Recruitment:* All sources of recruitment are advised of this policy. Employees must continue to be selected based on qualifications, with equal opportunity provided to all qualified applicants, including handicapped persons, disabled veterans, and Vietnam era veterans, without regard to race, color, religion, sex, age and national origin.

*Training:* Qualified employees receive equal opportunity to participate in all training programs wherever held.

## **I-9 Employment Eligibility**

LTE complies with the Immigration Reform and Control Act (IRCA) of 1986 by employing only United States citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of employment to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (INS Form I-9). If an individual cannot verify his/her right to work within three days of hire, LTE must terminate his/her employment.

## **Code of Ethics**

Maintaining the highest standards of ethics and integrity are the foundation on which LTE operates and we are determined to uphold these standards with uncompromising commitment. This section explains the principals, morals and beliefs that LTE follows and expects from all associated with the company.

*To Our Customers:* LTE competes fairly and ethically for all business opportunities while complying with all laws and regulations governing bids and proposals, bid preparations, contract negotiations, and contracts. It is imperative that LTE recognizes and avoids organizational conflicts of interest and to make sure that all statements, communications, and representations to

our customers and prospective clients are truthful and accurate. We execute all contracts in compliance with requirements, specifications, and clauses and understand that executing the mission is just as essential as the mission itself.

LTE equates our success to that of our customers' and is committed to delivering the best quality products and services. Through reaching this assured level of excellence within the agreed budget, schedule and scope, we continually strive to exceed the expectations of professional excellence, responsiveness, and customer satisfaction.

*To Our Employees:* LTE attributes its success to our outstanding employees who exhibit both exceptional creativity and expertise, while possessing the highest standards of ethical and professional integrity. We highly value the skills, experience and diversity of our work force and strive to provide each individual with continuous opportunity to grow personally and professionally. Promoting a positive work environment where each employee will feel appreciated and respected is of utmost importance. LTE values and respects personal and cultural diversity and does not condone harassment or discrimination of any kind, regardless of age, sex, ethnicity, religion, disability, sexual orientation, marital status, or family structure.

*To Our Teammates, Suppliers, and Partners:* LTE is fair and professional in all business dealings and honors its commitment to business partners and teammates. When interacting with customers, companies, teammates, and employees, LTE is devoted to the highest standards of ethical conduct.

In summary, 'compliance' across the total spectrum of legal and regulatory standards within the industry does not comprise, in itself, our company "Code of Ethics". While compliance is certainly germane, we consider the bigger venue to be comprised of "Standards of Conduct" and personal and professional integrity. LTE's goal continues to be focused on achieving excellence across the broad spectrum that is, ethical conduct, both as individual employees and as a corporate culture.

## **Religious Practices**

LTE prides itself on diversity within the workplace and is extremely respectful of its employees and their personal lives. Absences due to religious practices and/or beliefs will be reasonably accommodated given that work schedules are not disturbed as a result. Employees must notify their superior in advance of their planned absences and their time off will be documented as accrued leave or leave without pay if no vacation time is available.

## **Travel and Transportation**

The purpose of this section is to establish the policies and procedures related to travel arrangements. This policy applies to all LTE employees. All business-related travel is facilitated through the use of the LTE Travel Estimate Form (TEF) which is posted on the LTE Smartsheet website. All travel arrangements must be made by the employee who will be responsible for the booking of travel related reservations such as lodging, transportation, and/or airfare. All travel tickets (plane, train, etc.) must be non-refundable when travel is booked, and employees must use the per diem rates below for all their travel and lodging accommodations.

**Lodging:** Lodging expense maximums are based in part upon the Government's ability to obtain discounted rates not necessarily available to contractor and the Government's exemption from state and local taxes normally applicable to corporate travel. Employees are not authorized to exceed amounts provided by the DoD Per Diem Committee per the following link:

<http://www.defensetravel.dod.mil/site/perdiemCalc.cfm>

To cover taxes added to per diem hotel rates, lodging expenses are authorized to 125% of the per diem rate; lodging expenses that conform to these guidelines will be charged to the appropriate direct or indirect account as an allowable cost. The cost for laundry, dry cleaning and pressing of clothes is a separate reimbursable expense while travelling within CONUS. To obtain reimbursement, you must complete more than four consecutive nights of travel. This expense is not considered when travelling OCONUS but included in the "incidental" allowable per diem.

**Per Diem:** The first and last day of travel allowance for meals is 75% of the daily Per Diem Rate. Other Allowable expenses include \$5.00 for daily phone call home and \$10.00 for international phone call home.

**Rental Cars:** Employees authorized to use rental cars in conjunction with business travel need to sign up for insurance provided through the Rental Car Agency. This cost is considered an allowable cost and may be submitted for reimbursement.

**Personally Owned Vehicle (POV):** It is essential that any employee who uses his or her own vehicle for work journeys (excluding commuting) has appropriate personal auto insurance coverage as required by their state of residence. Employee's authorized to use their POV for business will be reimbursed business mileage in accordance with the Joint Travel Regulations (JTR).

Travel Request Procedure Sequence:

- 1) Initial travel request is made by the Government customer thru Prime or Technical Lead
- 2) LTE Employee creates a draft Travel Estimate Form (TEF) using the TEF form located on the LTE Smartsheet website under "LTE document Library".
- 3) TEF is submitted by the employee to LTE PM and Contracts Manger for pricing and estimated costs. Travel is reviewed and approved by the PM and the Contracts Manager.
- 4) TEF (itinerary on hold for 24 hours only) is sent back to the LTE employee for review of arrangements and the employee verifies the itinerary.
- 5) If LTE is a subcontractor, additional approval will be required from the prime contractor and/or the government customer.
- 6) If LTE is the Prime Contractor, and both Contract PM and Contracts Manager have approved and signed the TEF, the employee will finalize travel plans.

Upon trip completion, a Travel Expense Report must be completed within three days utilizing the Costpoint Accounting system for approval(s) and reimbursement processing. Original receipts must be submitted with your travel claim forms. Sending receipts via email or FAX are sufficient for reimbursement, but original copies must follow. Claims made without receipts are only reimbursable up to \$25.00 in lieu of the total value of the lost receipt. However, all receipts are required by DCA.

**Driving While on Company Business:** Driver inability to pay attention is a main factor in most of motor vehicle accidents. LTE is not only concerned about your welfare as an employee, but also the welfare of others who could be put in harm's way by inattentive driving. As a driver, your first responsibility is to pay attention to the road. If the need to drive while conducting company business arises, employees who drive must have a current, valid driver's license.

**Cellular Phone Use:** Cell phone use while driving is a common, often harmful, distraction. In the interest of public safety, the use of cell phones while driving is not allowed. Do not accept or place calls unless it is an emergency, meaning the call cannot wait until you safely pull off the road or arrive at your destination. If you are involved in an 'at fault' accident and the investigation determines you were operating a cellular device that contributed, or indirectly caused an accident, you will be personally liable for all associated costs through your personal insurance coverage.

**Obey the Law:** LTE is not responsible for any moving traffic violations, parking tickets, or any other city ordinances or state/federal laws regarding your driving habits and operation/care of your personal motor vehicle. Any tickets issued, even if the ticket is issued while conducting company business, are the responsibility of the employee.

**Other Safe Driving Precautions:** As a business that strongly opposes driving while impaired, employees are reminded to be responsible when entertaining clients involving use of alcohol. Abide by the law and use a designated driver in the best interest of safety.

- Use better judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens your safety.
- Make an effort to avoid distractions such as eating, applying makeup, paying too much attention to your radio/CD player, or other distracting behavior.
- Do not drive if your ability to drive safely is impaired by the influence of medications.
- Laptop computers should never be used at any time while driving.
- If using a vehicle not your own (rental or otherwise), be sure to properly adjust the mirrors and familiarize yourself with the vehicle's controls before operating.
- Be concerned for your coworkers' safety. If you receive a call from a coworker, pull over when you can to take the call or call them back when you arrive at your destination. Always tell coworkers/customers of any travel plans you have and that you will be unavailable during your anticipated driving times.

## **Email and Internet Usage**

LTE employees are accountable for using the electronic mail (e-mail) system appropriately and in accordance with this policy. The e-mail system and the internet domain are the property of LTE and are provided for business use only. Any and all communication and information that is sent by, received from, or stored on the LTE system are officially company records and property of LTE.

Employees have no right to privacy, personal or professional, in any material stored in, created, received, or sent over the LTE mail system or internet domain. LTE reserves the rights to observe, access, recover, and remove any material stored in, created, received, or sent over the LTE mail system or internet domain. The use of passwords or other security features does not prevent LTE from gaining access or disallow the right for LTE to examine messages or other material stored, sent, or received through the e-mailing system or internet domain. Any password used for LTE purposes relating to the e-mail system and/or internet domain access must be revealed to LTE in case of an absence and/or emergency.

## **Equipment Usage**

LTE's issued equipment policy is to establish guidelines regarding the proper use of equipment issued to employees. All equipment issued to you is the property of LTE.

LTE's equipment is to be used for work and business purposes only. E-mail, files, phone calls, etc. are considered property of LTE. As a result, LTE reserves the right to monitor equipment and associated communications and take actions as necessary. Improper usage will not be tolerated, for instance, trying to circumvent security that is put in place, reading other people's emails or files, using the systems to create Spam, viruses, etc. This includes forwarding cell phone calls to/from your personal phone company. LTE follows all copyright laws including software licenses.

Depending upon an employee's work location and what equipment is issued to an employee by the customer, the following list may vary:

- ❖ Laptop, carrying case, power cord.
- ❖ Microsoft Operating systems, Microsoft Office, Adobe Acrobat, Symantec Anti-virus.
- ❖ Cell phone, power cord, ear-piece.
- ❖ Keys for entry to the building, suite, office, elevator as necessary.

Employees are not permitted to bring their own equipment, such as computers, printers, and/or monitors, to the office for use while at work. If equipment or software other than what is listed is needed or required, please submit a request through your manager who will then recommend the approval/disapproval of the request and forward it as necessary to the appropriate decision authority for further action.

Please inform the IT Department of any issues or problems associated with the equipment issued to you. The IT staff will perform maintenance as necessary. While equipment is issued to the employee, it is their responsibility to properly safe-guard and protect equipment from theft, abuse, use on unprotected networks, etc. In the event your issued equipment is stolen, please file

a police report and report that information to the IT staff immediately. Also, inform others of the data compromised. If your equipment is lost/missing and you do not have a police report, you will be required to replace the equipment at your cost.

## **Layoff and Recall**

If LTE must reduce employment because of adverse economic or other conditions, layoffs and recall from layoffs generally will be conducted in a manner that is consistent with company requirements and in accordance with the procedures described below. In the event that a layoff is expected, the company will attempt to communicate information about an impending layoff as soon as possible. However, management reserves the right to alter the layoff procedure and withhold information about the layoff as permitted by law in order to protect the company's interests.

Layoffs that are expected to be temporary will generally be handled according to the provisions of this policy. Selections for layoffs that are known to be permanent will be made according to this policy and then handled according to company termination of employment policy.

Evaluation of the foregoing criteria shall be within the sole discretion of the company.

Employees will be selected for layoff based on the following criteria:

- ❖ Promotion potential and transferability of skills to other positions within the company
- ❖ Demonstrated current and past performance
- ❖ The needs of the company and specific projects
- ❖ Length of service with the company

An employee's length of service is measured from the original date of employment with the company, as long as there has not been a break in service greater than 30 days. During a layoff, employees with breaks in service greater than 30 days, but less than one-year break, are credited only for their time actually worked, i.e., the break time does not get counted unless required by law. Employees with a break in service greater than one year receive credit for service only from their most recent date of hire with the company.

Employees selected for layoff will be given as much notice as is required by law or as much as is reasonable under the circumstances. Employees who are laid off will be maintained on a recall list for six months or until management determines the layoff is permanent, whichever occurs first. While on the recall list, employees should report to Human Resources if they become unavailable for recall. Employees who do not keep a current home address on record with Human Resources will lose their recall rights.

Employees will be recalled based upon the company's needs, the employee's job title and/or duties associated with the company's needs, and the employee's ability to perform those duties. Notice of recall will be sent by registered mail, return receipt requested, to the current home address on record with the HR Department. Unless an employee responds to the recall notice within seven days following receipt of the notice or its attempted delivery, the employee's name will be removed from the recall list. Credit for seniority will continue to accumulate during any layoff of 30 days or less. Employees laid off for more than 30 days and subsequently recalled within six months from the date of layoff will be credited with the years of service accumulated at the time of layoff.

If the layoff is expected to exceed 30 days, vacation pay equal to the number of unused vacation days accrued will be paid at the time of layoff. Employees who are laid off will not accrue leave during the layoff.

**Military Service Reemployment:** In accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA), an employee must promptly submit an application for reemployment (as defined below), and will be reinstated to employment in the following manner depending upon the employee's period of military service:

- Less than 91 days of military service: In a position that the employee would have attained if employment had not been interrupted by military service; or if found not qualified for such position after reasonable efforts by LTE, in the position in which the employee had been employed prior to military service.
- More than 90 days and less than five years of military service: In a position that the employee would have attained if employment had not been interrupted by military service or a position of like seniority, status and pay, the duties of which the employee is qualified to perform; or if proved not qualified after reasonable efforts by LTE, in the position the employee left, or a position of like seniority, status and pay, the duties of which the employee is qualified to perform.
- Employee with a service-connected disability: If after reasonable accommodation efforts by the employer, an employee with a service-connected disability is not qualified for employment in the position he or she would have attained or in the position that he or she left, the employee will be employed in any other position of similar seniority, status and pay for which the employee is qualified or could become qualified with reasonable efforts by LTE; or if no such position exists, in the nearest approximation consistent with the circumstances of the employee's situation.

**Application for Reemployment:** An employee who has engaged in military service must, in order to be entitled to the reemployment rights set forth above, submit an application for reemployment according to the following schedule:

- If service is less than 31 days (or for the purpose of taking an examination to determine fitness for service): The employee must report for reemployment at the beginning of the first full regularly scheduled working period on the first calendar day following completion of service and the expiration of eight hours after a time for safe transportation back to the employee's residence.
- If service is for 31 days or more but less than 180 days: The employee must submit an application for reemployment with Human Resources, no later than 14 days following the completion of service.
- If service is over 180 days: The employee must submit an application for reemployment with Human Resources, no later than 90 days following the completion of service.

If the employee is hospitalized or convalescing from a service-connected injury, the employee

must submit an application for reemployment with Human Resources no later than two years following completion of service.

**Exceptions to Reemployment:** In addition to the employee's failure to apply for reemployment in a timely manner, an employee is not entitled to reinstatement as described above if any of the following conditions exist:

- LTE circumstances have changed as to make reemployment impossible or unreasonable.
- The employee's employment prior to the military service was merely for a brief, non-recurrent period and there was no reasonable expectation that the employment would have continued indefinitely or for a significant period.
- The employee did not receive an honorable discharge from military service.

**General Benefits upon Reemployment:** Employees reemployed following their military leave will receive seniority and other benefits determined by seniority that the employee had at the beginning of the military leave. As well as, any additional seniority and/or benefits the employee would have attained with reasonable certainty had the individual remained continuously employed. In addition, an employee's time spent on active military duty will be counted toward their eligibility for FMLA (Family and Medical Leave Act) leave once they return to their job at LTE.

**Documentation:** An employee's manager will, upon the employee's reapplication for employment, request that the employee provide LTE with military discharge documentation that establishes the timeliness of the application for reemployment, and the length and character of the employee's military service.

If an employee is absent from work due to military service, benefits will continue as outlined. An employee on extended military leave may elect to continue group health insurance coverage for the employee and covered dependents under the same terms and conditions for a period not to exceed 31 days from the date the military leave of absence begins. The employee must pay, per pay period, the premium normally paid by the employee. After the initial 31-day period, the employee and covered dependents can continue group health insurance for up to 24 months at 102% of the overall (both employer and employee) premium rate. After the first 31 days of military leave, group health insurance coverage for an employee and/or an employee's covered dependents will run concurrently with applicable health insurance coverage under COBRA.

The group term life/AD&D insurance provided by LTE will terminate the day the employee becomes active military. The group short-term and long-term disability insurance provided by LTE will be terminated the day the employee becomes active military. Employees do not accrue personal leave while on 'Military Leave of Absence' status. With respect to the LTE retirement plan, upon reemployment, employees who have taken military leave will be credited for purposes of vesting with the time spent in military service and will be treated as not having incurred a break in service. Immediately upon reemployment, the employee may, at the employee's election, make any or all employee contributions that the employee would have been eligible to make had the employee's employment not been interrupted by military service. Such

contributions must be made within a period that begins with the employee's reemployment and is not greater in duration than three times the length of the employee's military service. Employees will receive all associated company match for their contributions.

### **Employment Termination**

Employees who choose to resign from LTE are asked to give reasonable notice to their superior so that arrangements can be made to fill positions and/or disperse work accordingly. Prior to leaving LTE, employees are to relinquish all LTE equipment, all company keys and access cards, company identification cards, picture badges, credit cards, and any documentation relating to LTE operations. Upon notice of termination, Human Resources will provide information on topics such as accrued leave, medical benefits, 401(k) statuses, and other pertinent details regarding the exit process.

## **STANDARDS OF CONDUCT**

LTE espouses a positive and congenial work atmosphere, and maintains specific policies related to overall behavior in order to facilitate employees adherence to appropriate Standards of Conduct. These policies are in place to preserve both the individual and company reputation as well as prevent negative consequences resultant from inappropriate activity. Listed below are policy guidelines designed to establish Standards of Conduct with respect to particular areas of conduct.

As a Federal government contractor, LTE and its employees are bound by the Federal, State, County and Local Municipality laws and regulations. Certain infractions can have adverse impact on an individual's security clearance and violations and/or convictions must be reported to LTE management at the earliest opportunity.

### **Fraternization**

LTE wants to preserve a working environment that has clear boundaries between personal and professional relationships and facilitates the positive conduct of business. This policy addresses such boundaries with regard to how relationships develop at work and within the confines of the work area.

- Employees are expected to keep all personal interactions at a professional level so as to avoid distracting and/or offending others.
- Employees are prohibited from engaging in any physical interactions that would be seen as inappropriate in the work area. Determination of 'inappropriate' is at the discretion of management and can be dictated upon case by case circumstance.
- Employees who engage in personal relationships with others and allow these relationships to negatively affect the working environment can be subject to disciplinary action. Employees who fail to change their behavior after disciplinary action takes place may be subject to further punishments and/or termination.
- Romantic relationships between supervising, managing or executive employees and subordinates are strongly discouraged. If such a relationship does develop between a supervising employee and his/her subordinate, management should be notified immediately so appropriate mitigation can be addressed for all concerned.

### **Harassment**

Harassment in the workplace can take on many forms, and LTE expects all supervisors, employees, associated contractors, vendors, visitors, and any third parties with whom we do business with, to maintain an environment of mutual respect and dignity. The company will not tolerate misconduct or retaliation as outlined below. This policy applies to all employees.

It is the policy of the company that harassment of applicants and employees on the basis of race, ethnicity, color, religion, sex (including pregnancy, gender identity and sexual orientation), national origin, disability (physical or mental), age (40 years or older), marital status, political ideology, military and veteran status or any other factor that the law protects from employment

discrimination is unacceptable and will not be tolerated.

Other prohibited forms of harassment include (but are not limited to) jokes, verbal abuse and epithets, degrading comments, the display of objects and pictures, and other offensive conduct relating to an individual's protected status under the law.

### **Sexual Harassment**

Sexual harassment is one of the forms of prohibited harassment. It has been defined generally as including unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature, whenever:

- Submission to the conduct is either an explicit or implicit term or condition of employment; or
- An employee's reaction to the conduct is used as a basis for employment decisions affecting that employee; or
- The conduct has the purpose or effect of interfering with the employee's work performance or creating an intimidating, hostile or offensive working environment

No employee, or applicant, should be subjected to unsolicited and unwelcome sexual overtures. Nor should any employee, or applicant, be led to believe that an employment opportunity or benefit will in any way depend upon "cooperation" of a sexual nature. Sexual harassment is not limited to demands for sexual favors. It also may be characterized by other actions, for example:

- ❖ Sexually oriented "kidding," "teasing," and/or jokes
- ❖ Repeated offensive sexual flirtations, advances, and/or propositions
- ❖ Continued or repeated verbal abuse of a sexual nature
- ❖ Graphic or degrading comments about a gender, an individual, or his/her appearance
- ❖ The display of sexually suggestive objects or pictures
- ❖ Subtle pressure for sexual activity
- ❖ Physical contact or blocking movement

Either males or females may experience sexual harassment, and harassers may be of either the same or the opposite sex. Sexual harassment may be experienced by a third party not directly involved in, but passively affected by, consensual misconduct between or among others.

Sexual harassment does not refer to occasional compliments of a socially acceptable nature or consensual personal and social relationships without a discriminatory employment effect. It refers to behavior which is not welcome, and which is personally intimidating, hostile, or offensive.

Consensual intimate relationships between employees and supervisory personnel carry great risk since the work relationship involves an imbalance (or the perception of an imbalance) of power. These relationships are occasionally the source of harassment complaints once the relationship deteriorates. They can also trigger third-party harassment complaints by other co-workers. Although LTE does not prohibit personal relationships between employees and supervisory personnel, we strongly discourage them. In the event a relationship of this type develops, we

request that both parties meet with the Human Resources Director and/or the President to discuss the situation. In any event, intimate personal relationships between an employee and a supervisor in his/her management chain are prohibited.

## **Retaliation**

No employee will be retaliated against for making a complaint of harassment based upon an honest perception of the events, or for cooperating in the investigation of any complaint. Any employee who believes he or she has been retaliated against as a result of involvement in a complaint or investigation should utilize the harassment/retaliation reporting procedure outlined herein.

Any employee who feels that he or she has been the subject of harassment or retaliation or who has reason to believe that someone else has been the subject of harassment or retaliation, has the obligation to promptly notify his or her supervisor, the company's Human Resources Director, or any other officer or director of the company. Any supervisor or figure of high seniority who receives a complaint of harassment or retaliation must immediately notify the Human Resources Director and the President. The complainant is expected to provide information that the company requests, including a detailed account of the incident in question, witnesses (if any), dates, and other information considered relevant by the company. A prompt investigation of the matter will be conducted. All employees - whether complainant, witness, or accused - are required to be truthful, accurate, and cooperative during the company's investigation. Although a certain level of confidentiality will be maintained, due to the company's obligation to conduct a thorough investigation, complete confidentiality cannot be guaranteed.

Anyone who is found to have engaged in prohibited harassment or retaliation will be subject to appropriate sanctions, which may rise to the level of termination of employment, depending on the circumstances. No one should be presumed to be in violation of this policy because an investigation is being conducted. The company will take any necessary action at the conclusion of the investigation.

## **Workplace Violence**

LTE will not tolerate violence or threats of violence of any form in the workplace. It will be a violation of this policy for any individual to engage in any conduct, verbal or physical, which intimidates, endangers, or creates the perception of intent to harm persons or property. Any instance involving violence must be reported to Human Resources and the appropriate supervisor for a full investigation to ensue. LTE will take immediate disciplinary action if a violation of this policy was proven, up to and including termination.

## **Financial Activities**

**Prohibition of Improper Payments:** LTE requires all employees to only use lawful practices involving financial activities with governmental authorities. As a result, kickbacks and bribes offered with the intent of inducing or rewarding specific buying decisions and/or actions are strictly prohibited. No employee of LTE shall offer to make direct or indirect payments of value in the form of compensation, gifts or contributions or otherwise to any of the following:

- Persons or firms employed by or acting on behalf of a customer (private or governmental) for the purpose of rewarding favorable actions in a transaction.

- Any governmental officials or political candidates and/or parties for the purpose of rewarding favorable actions or influence of the official, party or candidate.

Stipulations of this section are not applicable to ordinary, reasonable business entertainment expenses and gifts of no substantial value. Management should exercise sound judgment and discretion with regard to controlling and authorizing such business expenses on a regular basis.

**Political Contributions:** LTE will not make any contributions to any political party or candidate for political office. Federal law does not allow corporations in the United States to contribute to the political process in any significant amount. Care should be taken by individual employees to not associate any personal political contribution with company business or representation.

**Antitrust Laws:** Antitrust laws are relevant to many business decisions, and those who engage in illegal actions against such laws are subject to fines and imprisonment, or both. Management shall guide the employee body in abiding by antitrust decrees applicable to the organization. LTE will comply with all U.S. antitrust laws applicable to normal business operations and will hold employees responsible for abiding by these legislations as well. In compliance with Section I of the Sherman Antitrust Act:

- No employee shall enter into an agreement (expressed or implied; formal or informal; written or oral) with any competitor restricting any of the following conditions or business offering:
  - ❖ Prices
  - ❖ Costs
  - ❖ Profits
  - ❖ Offerings of products and services
  - ❖ Terms of sale conditions
  - ❖ Production or sales volume
  - ❖ Production capacity
  - ❖ Market share
  - ❖ Quote decisions
  - ❖ Customer selection
  - ❖ Sales territories
  - ❖ Distribution methodology
- No employee shall enter into an agreement with a purchaser/lessee restricting the right of the purchaser/lessee to determine the price to resell or lease the product in question. Employees may also not enter in such agreements when LTE is the purchaser/lessee in the agreement.
- The following situations may be in violation of antitrust laws under certain circumstances. Employees may not enter into these agreements without consulting legal counsel in advance, and obtaining clearance to enter into such agreements.
  - Agreements with customers or suppliers regarding the sales or purchases of reciprocal purchases or sales by customers and/or suppliers.

- Agreements with purchasers or lessees of products of LTE which would restrict customers from using or reselling products as they choose to do so.
- Agreements with any party that would restrict all parties involved to manufacture a product or provide a service to a third party.

**Exchange of Information with Competitors:** Communication with competitors would be an infringement of antitrust laws, specifically if the communication is accompanied by some action. The prohibitions of this policy are intended to avoid antitrust infringements. Under this policy, no employee shall discuss information on any subject with a competitor or another third party acting on behalf of a competitor to remain compliant with Section I of the Sherman Antitrust Act, unless LTE legal counsel determines that such communication would not violate antitrust laws. When participating in trade associations and other meetings with competitors, employees shall not attend:

- Unauthorized meetings with competitors.
- Meetings where the communication with competitors are in violation of the paragraph above.
- Meetings for trade associations held to discuss business without adhering to the formal rules established by the trade association for its meetings.

Employees must recognize that participating in development and product certification events impacting competitors or suppliers may initiate antitrust violations. Consult legal counsel before attending any organization which may develop standards or certify products with competitors.

If an employee violates this policy, he/she may be subject to termination or other disciplinary action to prevent future violations. Those who do the following may be subject to disciplinary action or termination:

- Employees are in direct violation of this policy.
- Employees who deliberately withhold information concerning the violation of this policy or fail to report a violation of this policy.
- Management personnel who fail to report violation of this policy by their subordinates.

If an employee is accused of violating antitrust laws, yet did consult legal counsel and acted in good faith, they may not face disciplinary action under this policy. LTE may also assist in the employee's defense, within the confines of the law.

Any employee who must authorize, make, or agree to a payment, which may be contrary to this policy, must report this information to his/her supervisor or LTE legal counsel immediately. If an employee learns that another coworker is engaging in conduct contrary to this policy, he/she must report this information immediately to his/her supervisor or LTE's legal counsel.

Management personnel who receive a report will promptly discuss the issue with legal counsel for further investigation.

### **Drug and Alcohol-Free Workplace**

We recognize alcohol and drug abuse can cause potential health, safety and security problems. It is expected that all employees will assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances.

LTE does not permit the unlawful or unauthorized possession, use, distribution, manufacturing, or sale/purchase of illegal drugs, drug paraphernalia, or alcohol on the premises, while on company business, or while acting on the Company's behalf. Unless directed by a licensed health care physician/provider, employees are forbidden from working while under the influence or using alcohol or controlled substances.

Any employee convicted under any criminal drug statute for a violation occurring while on the job, on company or customer premises, or in any vehicle used for company business must notify the company no later than 5 days after such a conviction. A conviction includes any finding of guilt or plea of no contest and/or imposition of a fine, jail sentence, or other penalty.

We recognize that employees suffering from alcohol or drug dependence can be treated. We encourage any employee to seek professional care and counseling if needed. For information on assistance with alcohol or drug abuse, please contact your Employee Assistance Program (EAP) representative at 1-800-346-5484 for free, confidential help.

### **Dress Code & Personal Appearance**

LTE employees are to maintain a well-groomed, clean cut appearance at all times. Employees are to dress to suit the job tasks required whether on-site or in a corporate setting. Employees should avoid excessive and extreme dress at all times. We expect that your business attire will exhibit common sense and professionalism. Employees are expected to demonstrate good judgement and professional taste. Courtesy towards coworkers and your professional image to coworkers are the factors you need to use to assess whether you are dressing in business attire that is appropriate.

## **BENEFITS**

Consistent with Company recognition that our employees are our greatest asset, LTE strives to maintain an outstanding, comprehensive package of benefits that meets the needs of all employees and their families. As LTE grows, we will continue to reassess our benefits to ensure they are competitive and cost effective. Any suggestions for improvement are valued and will be reviewed and considered by the President and Human Resources. Full-time employees are eligible to participate in all benefits that LTE has to offer. In an effort to maintain the quality of employee support, our benefit plans are reviewed on an annual basis and are subject to change.

### **Health Insurance**

Health benefit coverage begins on the 1st day of the month following an employee's start date. This plan provides coverage for all eligible employees and their dependents. LTE pays 60% of the premiums and the employee pays 40%. Our health care provider is United Healthcare which offers the **Choice Plus BH39/670** health care plan. The Plan provides routine wellness visits, doctor visits, outpatient services, prescription coverage, care at home, and other needed services with associated co-pays responsible by the employee.

Please logon to [www.welcometouhc.com](http://www.welcometouhc.com) for additional information.

### **Dental Insurance**

Our dental provider is Principal. This plan provides coverage for all eligible employees and their dependents. LTE pays 100% of the monthly premiums. Our dental insurance provides coverage for preventive, basic and major procedures as defined in the plan with a maximum benefit of \$1,000 per calendar year.

### **Vision Insurance**

Our vision provider is Principal. This plan provides coverage for all eligible employees and their dependents. LTE pays 100% of the monthly premiums. Our vision insurance has in-network and out-of-network benefits, so employees may select an eye care provider of their choice.

### **Short Term and Long Term Disability**

Our short-term disability (STD) and long-term disability (LTD) provider is Principal. This plan provides coverage for all eligible employees. LTE pays 100% of the monthly premiums.

### **Group Life Insurance**

Our group life provider is Principal. This plan provides coverage for all eligible employees. LTE pays 100% of the monthly premiums for both Group Life and AD&D. The coverage for basic life \$25,000 and an additional \$25,000 for AD&D. There is a 35% reduction at age 70 and a 20% reduction at age 75.

### **Employee Assistance Program (EAP)**

Through United Healthcare, LTE offers an Employee Assistance Program that is available to employees and their dependents. This program is a 24-hour, seven day a week service to provide confidential help for a variety of problems to include marital/relationship or family problems, financial concerns, depression and anxiety, and many other areas of personal concern. Please contact an authorized representative at 1-800-842-2065 for free, confidential help 24 hours a day, seven days per week.

## **401(k) Retirement**

Our 401(k) provider is Mass Mutual. LTE will make a 401(k) Safe Harbor Matching Contribution to eligible participant accounts. A Safe Harbor Matching Contribution will be made on your behalf in an amount equal to 100% of the amount of your Elective Deferrals that do not exceed 3% of your Compensation, and 50% of the amount of your Elective Deferrals that exceed 3% of your Compensation but that do not exceed 5% of your Compensation. All contributions are 100% vested immediately upon participation in the plan.

**For 2019, the 401(k)-employee deferral limit is \$19,000 with a “catch-up contribution” of an additional \$6,000 for employees over 50 years old**

## **Professional Development Program and Tuition Reimbursement**

LTE is committed to the development, maintenance and retention of a highly qualified workforce and encourages its employees to continue to develop the knowledge and skills necessary to succeed in their jobs and provide superior customer support. The Professional Development Program includes financial assistance for approved courses, certifications and licenses to support employees' pursuit of skills and knowledge that will be of mutual benefit to both the employee and the company. The maximum allowable amount of reimbursement within a 12-month period is \$3,000. Successful completion with a grade of A or B or pass/fail must be obtained to qualify for reimbursement.

## **Rewards and Recognition**

**Recruitment Bonus:** The LTE Recruitment Bonus Program awards a monetary bonus to full-time employees who are committed to LTE's recruitment efforts through employee referrals. LTE financially rewards employees for providing recruitment efforts that assist in growing the company with qualified candidates. Bonuses are issued based on the below schedule after the referred employee has remained an employee for three months. The bonus schedule will reset and resume on 1 January each year and is as follows:

- ❖ \$100.00 for first referral that begins employment within the calendar year
- ❖ \$200.00 for second referral that begins employment within the calendar year
- ❖ 1% pay raise for third referral that begins employment within the calendar year
- ❖ \$100.00 for each referral thereafter that begins employment within the calendar year

Employees will email all resume referrals to Human Resources and the Technical Recruiter. The HR Director will track resume referrals for the recruitment bonus program and provide the President and Accounting Department with bonus information within the referred employee's fourth month. The Technical Recruiter will review all resumes for potential placement and forward to the Hiring Manager when appropriate.

**Performance-Based Bonus:** The LTE Performance-Based Bonus Program awards a monetary bonus to full-time employees who exceed work standards to an extraordinary degree as recognized by both customer and company management. A performance-based bonus can be applied for meritorious performance such as:

- ❖ Special award for proposal work leading to a successful contract award
- ❖ Working extra direct labor hours on a contract
- ❖ Working on multiple contracts resulting in extra hours being executed
- ❖ Special award for recognition by the government customer for superior performance, e.g. Letter of Appreciation, etc.

Letters of Appreciation, Letters of Recognition and Certificates of Appreciation/Recognition are submitted to the Human Resource Department. Extra hours worked will be determined by the Program Manager and appropriate payment will be decided upon by corporate personnel. After approval by the President, bonuses will be processed for payment the following pay period.

**Employee of the Year:** In December of each year, Corporate sends out a call for nominations, and an employee is chosen by their co-workers as the Employee of the Year. Co-workers must justify their nominations to a Corporate selection board and an announcement is made during the annual Christmas Party.

## **TIMEKEEPING AND LABOR REPORTING**

The purpose of this section is to delineate LTE policy and procedure for recording time worked using the Costpoint timekeeping system. An integral part of the company's labor hour management system is the accounting and recording of work activity. The timesheet provides the means to assign labor hours to the correct direct and indirect charge numbers and to determine proper billing to customers and payment to employees.

These procedures establish the basis for compliance with the requirements of labor reporting for purposes of attendance and for identifying job cost detail.

Each employee is responsible for recording and verifying all hours worked on their timesheet daily, to properly reflect time worked, compensable absences, and non-compensable absences during the timesheet period. If requested by management, or internal/external auditors, the employee must be able to provide specific information on work activities and timesheet preparation.

Managers are responsible for review and approval of their employees' timesheets. The manager is expected to have direct knowledge of each employee's work activity, schedule, and attendance. Managers are responsible for verifying that the timesheet information is accurate and complete. Timesheets are to be finalized, approved, and submitted no later than the 16th (for the timesheet period of the 1st thru the 15th) and 1st (for the timesheet period of the 16th thru the last day of the month) of each month for the previous timesheet periods.

If special means, such as faxing, e-mailing, or phone transmittal must be used for the completion of the timesheet, the manager is responsible for ensuring prompt and accurate submittal of timesheets. Each manager is assigned an alternate manager to verify and approve timesheets when absent.

### **Definitions**

Exempt Employee: An administrative, professional, or executive employee who is not subject to the overtime provisions of the Fair Labor Standards Act and the Walsh-Healy Public Contracts Act.

Non-Exempt Employee: An employee who is paid for time recorded, and who is subject to all the provisions of the Fair Labor Standards Act and the Walsh-Healy Public Contracts Act, including overtime.

Direct Labor: Any labor an employee can specifically identify to a final cost objective.

Indirect Labor: Any labor that is not normally identifiable as being incurred for any one defined final cost objective and should be charged as indirect. Indirect labor will be accumulated in the appropriate indirect cost pools.

Fair Labor Standards Act: The Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments.

*Overtime:* The hours worked by an employee in excess of 40 hours per week. **Employees are to record all overtime hours worked on their timesheet, whether compensated or uncompensated.**

*Non-Scheduled Overtime:* Hours worked in excess of an exempt employee's standard work schedule for which overtime compensation is not authorized. Management is responsible for planning and managing work so that it can be accomplished during an Employee's standard work schedule. Occasional non-compensated overtime is inherent in the scope of work expected of exempt employees.

*Customer Directed Overtime:* Overtime scheduled at the specific request of a customer for work performed at a non-LTE facility. Funding for this overtime must be reimbursable. Advanced management approval is not required. As required, a specific Costpoint Charge Code, with amplifying instructions, will be established to support government directed additional labor hour execution.

## **Total Time Accounting**

Total Time Accounting embraces the practice of entering the total actual labor hours worked in any one particular day, including both exempt and non-exempt employees. The United States Federal Government prefers that:

“The contractor should have procedures to ensure that all hours worked are recorded, whether they are paid or not, to assure the proper distribution of labor costs. This is necessary because labor rates and labor overhead costs can be affected by total hours worked, not just paid hours worked.”

It is LTE's policy to use Total Time Accounting for recording time daily for every employee. Therefore, each employee, regardless of their standing in the organization, will enter the actual number of hours worked in the corresponding field of their timesheet no later than the end of each work day. Under no circumstances should the employee fail to record any hours worked during the course of a day.

LTE requires every employee to record and report **all activities** directly assignable to specific charge numbers, whether direct or indirect. Properly recording all time by the conclusion of the employees' workday is imperative for accurate and complete payroll and job cost data.

Timekeeping is the basis upon which all LTE employees are paid and customers are billed. It is therefore essential to have a comprehensive and accurate timekeeping system.

## **LTE Work Week & Timesheet Period**

The LTE workweek begins at 12:01 a.m. Monday and continues through 12:00 p.m. the following Sunday. LTE employees are paid semi-monthly, on the 10<sup>th</sup> and the 25<sup>th</sup>. To coincide with this pay schedule LTE has two timesheet periods each month. The first timesheet period begins at 12:01 a.m. on the 1st day of each month and concludes at 12:00 p.m. on the 15th of each month, payable on the 25<sup>th</sup> day of the month payday. The second timesheet period begins at 12:01 a.m. on the 16th of each month and concludes at 12:00 p.m. on the last day of the month, payable on the 10<sup>th</sup> day of the month payday. If any Timesheet period concludes on a weekend

day, employees are expected to finalize and submit their timesheets during the next regularly scheduled working day.

## **Timesheet Instructions**

LTE requires that all employees submit labor timesheets at the end of each semi-monthly work schedule, which coincides with company payroll and labor distribution requirements. It is company policy to have all employees accurately identify and record all labor charges on their labor timesheets daily. It is expected that all employees are accountable for and execute an eight (8) hour standard workday. Employees on Direct Labor contracts will meet contract specified required hour levels of effort.

Non-exempt (hourly) employees must make up time off during the workweek in which the time off is taken or use their vacation time for hours not worked. The manager is responsible for ensuring that time made up is consistent with company standards of productivity, safety, and management requirements.

Exempt (salaried) employees who request personal time off must charge accrued leave or leave without pay. Exceptions must be coordinated with the supervisor and documented in the comments section of the timesheet. Please note that LTE does not have a “compensatory time off” policy!

LTE uses the licensed Costpoint for electronic timekeeping management. To aide in timesheet management, each employee is issued a Work Authorization Letter (WAL). Employees that work on contract as direct labor, their charge code(s) are based on contract they are hired to work.

- The WAL is the document that provides individual employees *targeted* percentages of time utilization for a given timesheet period that is NOT chargeable to a customer or otherwise reimbursable; also known as Indirect Labor charges.
- Employees that work direct labor are given authorized access to their assigned charge code(s) only by the accounting department. Hours are monitored and managed by their Project Manager.

### **Direct Labor and/or Indirect Labor (Exempt):**

- a. When each assignment is completed and/or at the end of each workday, record on your electronic timesheet the number of hours worked by direct and/or indirect account number, Work Order (WO), Task Number (if applicable), or other applicable charge code. This must be recorded directly onto the electronic timesheet.
- b. At the end of the employee’s workday, the employee must enter and save the total hours worked, whether paid or unpaid, into the electronic timesheet. **All** hours should be recorded, regardless of whether they were pre-authorized or approved. Employees may record their actual hours to the nearest half (.5) hour.
- c. No earlier than two hours before the end of the employee’s semi-monthly work schedule or no later than noon (Eastern Time), 9:00 a.m. (Pacific Time) the

following day (16th and 1st of each month) the employee must ensure that all hours worked have been entered and properly segregated by direct/indirect charge code. After verifying their individual charges, the employees must electronically sign and save their own timesheet within Costpoint's Time Collection System.

**NOTE: All Employees:**

- Under no circumstances should anyone sign another person's name on a timesheet or initial a correction using another person's initials or electronic signature.
- Under no circumstances (except for scheduled vacation or for other paid time off for the full week or at the end of the Employee's work week) should anyone pre-sign their own timesheet and turn it over to their manager or any other person.

**Manager Responsibilities:** Review employee timesheets to verify that:

- a. All labor charges accurately reflect activities performed for that reporting period in accordance with approved WAL or CAL.
- b. All corrections have been properly made and detailed explanations (when necessary) have been provided.
- c. The timesheet is completed and has been electronically signed by the employee.
- d. Approve timesheets using the electronic approval process in Costpoint's Time Collection System and submit the approved timesheet electronically at the end of the employee's semi-monthly work schedule but no later than 12:00 noon (Eastern Time), 9:00 a.m. (Pacific Time) of the day following the conclusion of the work schedule (i.e. 16th and 1st of each month). If that day happens to fall on a weekend or holiday, then all timesheets should be approved and submitted by 12:00 noon (Eastern Time), 9:00 a.m. (Pacific) of the next business day.
- e. When an employee is on a trip, vacation, or out ill and cannot complete their own timesheet, the manager must complete the timesheet charging the proper cost objectives or overhead accounts and sign his/her own name (Manager's name) in the space provided for the employee's signature. Then the manager must submit the Timesheet to his/her own immediate manager for review and approval.
- f. If a change is necessary on an absent employee's timesheet, managers will make and initial the change in the system and provide a detailed explanation. Upon the employee's return, managers will discuss the change and if an error has been made, process a correction. If later adjustments are necessary, managers will process a labor transfer form through the appropriate accounting channels.

**NOTE: All Managers**

- Under no circumstances should a manager sign another person's name on a timesheet or initial a correction using another person's initials. If it is necessary to

sign or correct a timesheet in an employee's absence, managers will at all times sign their own names and not the employee's name.

- Under no circumstances (except for scheduled vacation or for other paid time off for the full week or at the end of the Employee's work week) should a manager accept a pre-signed timesheet from anyone or sign a time card prior to verification of accuracy and completeness of data entered on the time card.
- Managers are also responsible for periodically observing employees' arrival and departure times to ensure that employees are not clocking in/clocking out improperly.

### **Compliance Review**

Periodic unannounced floor-check audits will be conducted to monitor compliance of policy concerning preparation and approval of labor timesheets. The following progressive corrective actions will be directed to those individuals who are in violation of proper labor and attendance reporting procedures:

- A. A verbal and written reprimand will be issued initially warning the employee and their supervisory manager of the timesheet violation.
- B. A second infraction will require the employee and their supervisory manager to attend a training class on the proper time recording practices.
- C. Subsequent infractions will be treated according to company policy, but will include additional training, reporting requirements, and possible termination.

### **Accrued Leave**

The LTE Accrued Leave Policy provides leave to full-time and part-time employees as part of the employee benefit package. We consider this policy to be generous and comparable with the industry standard. Accrued leave is NOT just 'vacation' but is paid time away from the workplace for any reason non-work related. Consistent with LTE's review of all employee policies, implementation of the following policy is with full recognition that current employees have varying amounts of accrued leave and this policy revision will have differing impacts. Please refer individual and specific questions to the Human Resources Director.

Accrued leave is earned leave for eligible part-time employees. This leave is accrued on a pay period basis in the amount of 5 hours per month, regardless to the amount of time worked, and will be allowed to maintain 80 hours of accrued leave each year ending December 31.

Accrued leave is earned leave for eligible full-time employees. This leave is accrued on a per pay period basis. The following will apply to full time employees only.

1. The President will randomly monitor timesheets with accrued leave for policy compliance.

2. New employees accrue 5 hours of paid leave per pay period (120 hours, or 3 work weeks annually) when hired through the **first five years** of employment.
3. New employees will accrue 6 hours of paid leave (144 hours, or 18 work days annually) **after** five years of employment.
4. After 10 years of employment, employees accrue 7 hours of paid leave per pay period (168 hours, or 21 work days annually).
5. Accrued leave can be used at the employee's discretion for vacation/personal time off, sick time, family and medical leave (FMLA), or other personal reasons.
6. Employees can borrow up to 40 hours of leave per year (i.e., take 'advance' leave) to support emergencies or scheduled time off. If an employee leaves LTE, the employee will pay back the leave that was borrowed from their last pay check.
7. Employees will be allowed to maintain 160 hours of accrued leave each year ending December 31.
8. Employees should complete their timesheets at the end of each day. All employees must account for 8 hours on a standard workday. Use of notes and coordination with your supervisor are required.
9. Employees on Direct Labor contracts are required to meet the contract level of effort.
10. When an employee leaves LTE with a positive leave balance, the employee will receive a leave payout on their last pay check for all hours accrued.
11. "Employee Leave Transfer": On a case-by-case basis, LTE will consider employees requesting the transfer of any part of personal accrued leave to another eligible full-time, exempt employee, for their personal use. Such requests must be approved by the appropriate management chain and signed by the President. Such leave hour transfer must NOT be in consideration of any monetary exchange and will be officially reflected in the LTE SpringAhead timekeeping leave balance system for affected employees.

## **Holiday Leave**

The LTE Holiday Policy provides paid holiday leave to full-time employees as part of the employee benefit package. LTE provides Ten (10) paid 8-hour holidays per calendar year to be charged to the holiday account on employee timesheets. All of those holidays are company assigned dates coinciding with recognized Federal holidays that LTE observes and are as follows:

- ❖ New Year's Day
- ❖ Martin Luther King, Jr. Day
- ❖ President's Day
- ❖ Memorial Day
- ❖ Independence Day
- ❖ Labor Day

- ❖ Columbus Day
- ❖ Veteran's Day
- ❖ Thanksgiving Day
- ❖ Christmas Day

LTE offices are closed for business on the above observed holidays. If an employee is required/customer directed, and works on a holiday, he/she can use the hours of holiday leave on another day that the employee chooses as long as it is coordinated with management. The eight hours of holiday leave must be taken within the calendar year. Holiday leave does not rollover to the following year.

### **Bereavement Leave**

The LTE Bereavement Leave Policy provides bereavement leave to full-time employees as part of the employee benefit package. Full-time employees are paid for a maximum of three days of bereavement leave for the death of an immediate family member. An immediate family member includes a spouse, child or stepchild, child or stepchild's spouse, foster child, sibling, sibling's spouse, spouse's sibling, parent or stepparent, parent-in-law, legal guardian, foster parent, grandparent, spouse's grandparent, great-grandparent, spouse's great-grandparent, or grandchild.

Bereavement leave is unavailable for employees on a leave of absence. However, employees who have a death in the family while absent for a holiday or vacation may substitute bereavement leave and reschedule the vacation or holiday.

Employees must notify their supervisor verbally and by submitting a Request for Leave form at the time the employee has been made aware of the death in the family and is requesting bereavement leave. If the employee is requesting additional leave in excess of 3 days (24 hours), the employee must use his/her accrued leave or take leave without pay. The Request for Leave form is maintained in the employee's personnel records in the Human Resources Department.

### **Jury Duty Leave**

The LTE Jury Duty Leave Policy provides jury duty leave to full-time employees as part of the employee benefit package. Full-time employees are paid for a maximum of 15 days of paid leave for jury duty. Jury duty is unavailable for employees on a leave of absence. However, if employees are subpoenaed to court for jury duty while absent for a holiday or vacation, they may substitute jury duty leave and reschedule the vacation or holiday. The employee will receive regular rate of pay less any compensation received from the court.

Employees must notify their supervisor verbally and by submitting a Request for Leave form including a copy of the subpoena at the time the employee has been made aware that he/she will be engaging in jury duty service. If the employee is requesting additional leave in excess of 120 hours, then the employee must use his/her accrued leave or take leave without pay. The Request for Leave form is maintained in the employee's personnel records in the Human Resources Department.

### **Military Leave**

LTE is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is LTE's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's

membership in, or obligation to perform service for any of the Uniformed Services of the United States. No employee or potential employee will be denied employment, reemployment, promotion, or other benefit of employment on the basis of such membership. Furthermore, no employee or potential employee will be subjected to retaliation or adverse employment action due to their fulfillment of Military service. If any employee believes that he or she has been subjected to discrimination in violation of this policy, the employee should immediately contact Human Resources or other executive management representatives if Human Resources is unavailable.

- **Temporary (Two Weeks) Military Leave:** In addition to the rights and benefits provided to employees taking Extended Military Leave (as described in this policy), eligible employees who must be absent from their job for a period of not more than ten working days each year in order to participate in temporary military duty are entitled to as many as ten days paid military leave. All benefits will continue during an employee's temporary military leave.
- **All Other (Extended) Military Leave:** Employees directed to participate in extended military duties in the U.S. Armed Forces that exceed ten working days will be placed on an unpaid military leave of absence status for a period of as long as five years and will be entitled to the rights and benefits described below, subject to the procedures outlined below.

The employee will provide his or her immediate supervisor with notice that the employee will be engaging in military service, including, where feasible, a copy of the orders directing the military duty, unless the employee is prevented from doing so by military necessity. Employees are requested to provide such notice within 30 days of active military service. Failure to provide adequate notice may render the employee ineligible for the rights and benefits described in this policy.

To request a temporary or extended military leave of absence, the employee should, unless prevented from doing so by military necessity, obtain a Request for Leave form from Human Resources. Human Resources will review and sign the Request for Leave form, collect any applicable insurance premiums from the employee, generate other applicable documents, and process accordingly. Employees on extended military leave may, at their option, use any or all accrued paid vacation or personal leave during their absence. Employees will be paid the difference between their military pay and LTE pay.

When returning to work from extended military leave, the employee must submit his/her application for reemployment to the Human Resources Department within the application timeframe period set forth below. If the employee does not return to work, the supervisor must notify Human Resources so that appropriate action may be taken.

### **FMLA (Family & Medical Leave)**

FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave.

FMLA is designed to help employees balance their work and family responsibilities by allowing them to take reasonable unpaid leave for certain family and medical reasons. It also seeks to

accommodate the legitimate interests of employers and promote equal employment opportunity for men and women.

FMLA provides certain employees with up to 12 weeks of unpaid, job-protected leave per year. It also requires that their group health benefits be maintained during the leave.

FMLA applies to all public agencies, all public and private elementary and secondary schools, and companies with 50 or more employees. These employers must provide an eligible employee with up to 12 weeks of unpaid leave each year for any of the following reasons:

- for the birth and care of the newborn child of an employee;  
(Time taken off work due to pregnancy complications can be counted against the 12 weeks of family and medical leave)
- for placement with the employee of a child for adoption or foster care;
- to care for an immediate family member (spouse, child, or parent) with a serious health condition; or
- to take medical leave when the employee is unable to work because of a serious health condition.

In addition, a final rule effective on January 16, 2009, updates the FMLA regulations to implement new military family leave entitlements enacted under the National Defense Authorization Act for FY 2008;

- any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" **or**
- Twenty-six workweeks of leave during a single 12-month period to care for a covered servicemember with a serious injury or illness if the eligible employee is the servicemember's spouse, son, daughter, parent, or next of kin (military caregiver leave).

Employees are eligible for leave if they have worked for their employer at least 12 months, at least 1,250 hours over the past 12 months, and work at a location where the company employs 50 or more employees within 75 miles. Whether an employee has worked the minimum 1,250 hours of service is determined according to FLSA principles for determining compensable hours or work.

### **Time Off for Voting**

LTE follows state law requirements that allow employees time off from the workplace on days that public elections are scheduled throughout the state, county, city in which the employee works. Employees must give advanced notification to their supervisors of their planned absence. No employee will be reprimanded or retaliated against for requesting time off to vote.

### **Request for Leave Form**

The employee will provide their supervisor a completed Leave Request Form for approval. This form is located on the Smartsheet website under "LTE document Library". A copy of the request with the supervisor's approval or disapproval should be kept by the employee for their records.

## **Employee Leave Transfers**

Transfer of leave between employees can be done by completing a Request for Leave Transfer form. This form is located on the Smartsheet website under “LTE document Library”. The completed document is submitted to their supervisor for approval. The supervisor will forward the request to the President for final disposition. The President will send the approved request to Accounting and Human Resources. Human Resources will forward the approved document to the employee for their records.

## **Unscheduled Business Closings**

The LTE Unscheduled Business Closings Policy explains the procedures to be followed in the event employees would be prevented from coming to work. LTE is committed to providing a safe working environment for their employees. The following are situations where unscheduled business closings may occur:

- ❖ Severe weather forecasted within 24 hours
- ❖ Severe weather that was unexpected
- ❖ Fire, floods, or natural disasters
- ❖ Power communications failure
- ❖ Civil community emergencies

Employees will use their best judgment and will notify their supervisor by phone and/or email when they are unable to safely make it to work. When LTE makes the decision to close the office, and if work can be done from home, it is expected. Hours are only recorded for time worked.

## **ATTENDANCE POLICY**

Personnel are hired to perform an important function for Lumbee Tribe Enterprises, LLC, at their assigned worksite. As with any group effort, it takes cooperation and commitment from everyone to operate effectively. The Company expects all employees to conduct themselves in a professional manner during their employment. This includes practicing good attendance and absence reporting habits. All employees should regard coming to work on time, working their hours as scheduled, and leaving at the scheduled time as essential functions of their jobs, i.e., good attendance habits form an integral part of every employee's job description. Therefore, your attendance and punctuality are very important.

Absences and tardiness, regardless of expected or unexpected, causes a slow-down in the work flow and is an added burden for your fellow employees at your worksite and the customers we are servicing. Again, good attendance is something that is expected from all employees. You should be at your work station by the start of each workday at the time designated by the department you work in and remain until the end of each workday designated by the department you work in per the contract terms. Excessive absenteeism or tardiness will not be tolerated and will be cause for disciplinary action up to and including termination. There are exclusions from this policy, such as FMLA leave, military leave, jury duty leave, and voting leave.

LTE employees are required to enter their time in our SpringAhead timekeeping system daily. LTE uses the quarter-hour rounding for employee time calculation purposes and the “7/8 minute rule” is the measure which determines actual hours (and minutes) paid and also in determining tardiness or

early departures. For example, if it is 7 minutes till the hour it rounds to, say, 8:00 am; if it is 10 till it rounds to 7:45. If it is 7 minutes after it would be 8:00, and 8 minutes after would be 8:15 am. In other words, whatever time is entered needs to be rounded to the nearest quarter hour. These times are reviewed by members of the management team to monitor tardiness and early departures and the employees are cautioned if issues are noted.

We do realize, however, that there are times when absences and tardiness cannot be avoided. Regardless of the reason for your absence or tardy, you are expected to properly notify your supervisor at least one hour in advance of your scheduled work time. You must personally contact your supervisor via phone, text or email. Lack of a telephone or absence from town is not an excuse for failing to notify your supervisor of absence or tardiness. You should call every day that you are absent unless you are on an approved leave of absence.

## **Absence Reporting**

This policy applies to all LTE employees. It is the employee's responsibility to ensure that your worksite is informed when you are going to be absent or tardy for work due to illness or injury.

## **Procedures**

Employees who will be absent are required to call (or have someone else call), text or email their immediate supervisor or the department head within one hour of their scheduled reporting time. The reason for the absence and its expected duration should be described (briefly) during this initial phone call, text or email. It is further expected that ill or injured employees will inform their supervisor or department head if there is a change in the anticipated length of absence. Employees who fail to contact or arrange contact with their worksite will be considered to be on unauthorized leave and disciplined accordingly, up to and including termination. Please refer to your LTE Employee Handbook, "Compliance Review" section for detailed progressive corrective actions.

## **Wage Garnishments**

LTE follows state law requirements when making deductions from employee paychecks for wage garnishments or other judgments determined through legal proceedings.

## **SAFETY & SECURITY**

### **Business Continuity Plan**

The LTE Business Continuity Plan (BCP) has been developed to establish a firm foundation in order to recuperate and promptly resume business operations in the event of significant business disruption. The health and safety of our employees is our first priority to ensuring our business restoration in case of a natural disaster or other emergency. Furthermore, LTE looks to protect our property, financial and operational objectives, and preserve stability in the services we provide to our customers. We have designed this plan to ensure our employees and customers that business operations will recommence with ease and services and information will be accessible with little interruption if a disaster ensues.

LTE understands that the severity of business disruption can vary and our BCP is designed to address single-building, regional/state and companywide disruption. In case of an emergency to an LTE occupied building, employees are to follow the specific evacuation plan established for that particular building. If possible, employees are to gather essential and classified information prior to evacuation. If conditions do not allow for this action to be taken, employees are to lock and secure any and all classified information as is protocol and exit accordingly. If information was securely left behind, arrangements will be made for its recovery.

Our BCP also addresses data backup and recovery issues associated with various emergencies. Company information is backed up both in-house and off-site at an external location to reassure our ability to retrieve this data if an emergency were to arise. Employees are encouraged to keep electronic copies of any information on their computers to work remotely if necessary. In the event of an emergency or natural disaster, unforeseen absences may occur. In this situation, the President will assess employee leave circumstances on a case-by-case basis. Employees working on a government contract should follow the guidance of the Program Manager who will contact the appropriate Government official for direction and information. All employees are to reach out to their supervisors, whether through email or phone, to address any questions or queries on closings, protocols, etc.

### **Infractions, Violations, and Disciplinary Actions**

Under the terms of the Department of Defense and other government agency contracts, LTE is required to establish and enforce policies that provide for appropriate administrative actions. Disciplinary actions are to be applied to individuals who violate the requirements for the proper handling, storage, and protection of classified information. Considering the potential damage that could result, a graduated scale of disciplinary actions shall be applied to all LTE employees and consultants when a security infraction or violation occurs. These actions are as follows:

- *Security Incident*: Any act or omission that (a) indicates a possible breach of LTE or Government security requirements for the proper handling and safeguarding of classified information, (b) may result in the loss, compromise or suspected compromise of classified information.

- Compromise: The disclosure of classified information to persons not authorized access to that information.
- Infraction: Security incident involving unintentional or inadvertent failure to comply with security regulations or requirements, which do not result in the loss, compromise, or suspected compromise of, classified information.
- Violation: Security incident that (a) indicates the willful, reckless, or intentional disregard for security regulations, or (b) results in the loss, compromise, or suspected compromise of classified information.

**Reporting, Investigating and Documenting Security Incidents:** All employees are required to immediately report any knowledge of a suspected security incident to their Facility Security Officer (FSO) and the corporate security office. All security incidents will be investigated and documented by LTE management.

A written record will be completed for all security incidents, including a final determination, as to whether the matter was founded or unfounded and is an infraction or a violation. A copy of this record will be maintained by security, a copy will be furnished to the Defense Security Service (DSS), and a copy to the customer on the appropriate contract for further action as required.

**Disciplinary Actions:** Failure to follow established security procedures is viewed as a serious performance issue and shall be a factor considered in the performance review process. Depending on the severity of the infraction or violation and the circumstances involved, disciplinary action shall be applied consistently in accordance with the following graduated scale:

**Security Infraction(s): Frequency in a 1 year period.**

- First infraction: A written counseling by the Security Department citing the nature of the infraction and proper security procedures.
- Second infraction: A written reprimand placed in the Employee File by the first-line manager, used in next performance review. Conference with the FSO, Program Manager, and President.
- Third infraction: A written reprimand by the company President and any additional disciplinary action deemed necessary, up to and including transfer to a position not requiring a Personal Clearance Level (PCL) (if feasible) or employment termination.

**Security Violation(s): Frequency in a 1 year period.**

- First violation: Re-indoctrination by the FSO; a written reprimand by the Program Manager placed on file for a period of one year.
- Second violation: The entire above plus a written reprimand by the company

President placed on file for a period of two years.

- Third violation: The entire above plus consideration of suspension without pay and possible termination of employment for cause.

## **Workplace Safety**

LTE wants to provide the most comfortable and safe workplace environment possible to all employees. LTE complies with the rules and regulations outlined in the **Occupational Safety and Health Act of 1970** to ensure that our facilities and offices are in compliance. Any and all unsafe working conditions should immediately be brought to the attention of the Facilities Manager or the employee's manager so that immediate action can be taken to improve workplace safety.

Workplace conduct, such as physical, mental, or verbal harassment, harm, altercations, intimidations, vandalism, threats, or use of weapons on employer's property will not be tolerated at LTE. Employees who conduct such behavior will be held accountable and will be susceptible to the disciplinary process outlined under the "Security Infractions, Violations, and Disciplinary Actions Policy" section of this manual.



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**Pembroke, NC 28372-8689**

## **Lumbee Tribe Enterprises, LLC**

### **Acknowledgment of Receipt of Personnel Policy Handbook**

I acknowledge that I have received, read, and understand the policies outlined in the LTE, LLC Personnel Policy Handbook (Revised 6/28/19). I agree to conform to the rules and regulations of LTE as described in the handbook, which is intended as a guide to policies and procedures. I understand that LTE has the right to change the handbook without notice. It is understood that future changes in policies and procedures will supersede or eliminate those found in this book, and that employees will be notified of such changes through normal communication channels.

I understand and agree that the information contained in these materials does not constitute an employment contract between LTE and me, that my employment is considered "at-will," and that either LTE or I may terminate our employment relationship at any time, with or without cause. I understand that no manager or representative of LTE, other than the President of the company, has any authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the foregoing.

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Employee Signature

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Employee Name (please print)

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Date