

Disciplinary Program

1.1 PURPOSE

1.1.1 The purpose of this policy is to describe TERRY R PITT CONSTRUCTION's expectations to abide by certain work rules of general conduct and performance at all times. Supervisors are expected to monitor and enforce these work rules equally. TERRY R PITT CONSTRUCTION employees are subject to disciplinary action for any of the offenses listed. In the event an employee is suspended from work for disciplinary reasons, benefits will not accrue nor will benefits be recoverable during the suspension period.

1.2 RESPONSIBILITIES

1.2.1 All levels of supervision and management are responsible for supporting and enforcing the disciplinary program. The occupational safety and health department is not charged with enforcing discipline with regards to safety.

1.2.2 Supervisors will make routine inspections of the worksites to conduct risk assessment, identify hazards, and assist with control measures. They will demonstrate support of the TERRY R PITT CONSTRUCTION disciplinary program through intervention and counseling of personnel.

1.2.2.1 Physical inspections of work areas must be conducted to ensure compliance with safety rules and policies.

1.3 PROCEDURE

1.3.1 Violation of any TERRY R PITT CONSTRUCTION policies and rules may warrant disciplinary action. When management of TERRY R PITT CONSTRUCTION deems it appropriate, discipline may include verbal warnings, written warnings, suspension with or without pay, mandatory referral to the employee assistance program, and immediate termination.

1.3.2 TERRY R PITT CONSTRUCTION may utilize whatever form of discipline is deemed appropriate, in its sole discretion, under circumstances up to and including immediate termination. TERRY R PITT CONSTRUCTION's policy of discipline in no way limits or alters the *at will* employment relationship and does not create a contract or promise of continued employment.

1.3.3 TERRY R PITT CONSTRUCTION's orderly and efficient operation requires that employees maintain proper standards of conduct at all times. In order to prevent misunderstandings and to protect the rights of others, employees are expected to observe certain basic rules and regulations. Employees who fail to maintain proper standards of conduct are subject to disciplinary action, up to and including termination.

1.3.4 The following cases do not require progressive discipline to correct a performance deficiency. Specific examples include, but are not limited to:

1.3.4.1 Obtaining employment based on false or misleading information, falsifying information, or making material omissions on any documents or records submitted or provided to or prepared for TERRY R PITT CONSTRUCTION.

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- 1.3.4.2 Theft or inappropriate removal of any inventory or other property of TERRY R PITT CONSTRUCTION from any TERRY R PITT CONSTRUCTION office, facility, or premises, or theft or inappropriate removal of any inventory or property of or from any TERRY R PITT CONSTRUCTION client.
- 1.3.4.3 Insubordination, including refusal to do assigned work or refusal to perform work in the manner described by a supervisor, without proper justification.
- 1.3.4.4 Possession, consumption, or selling of alcoholic beverages or use of illegal drugs during working hours on company property, or any violation of TERRY R PITT CONSTRUCTION's procedure on drug and alcohol abuse.
- 1.3.4.5 Bringing or possessing firearms, weapons, or any other hazardous or dangerous devices on TERRY R PITT CONSTRUCTION property.
- 1.3.4.6 Being insubordinate, threatening, intimidating, or assaulting a supervisor or coworker.
- 1.3.4.7 Release of confidential information.
- 1.3.4.8 Engaging in or condoning conduct that creates an intimidating, hostile, or offensive work environment.
- 1.3.4.9 Fighting or provoking fighting on TERRY R PITT CONSTRUCTION time or property.
- 1.3.4.10 Malicious or willful destruction or damage to TERRY R PITT CONSTRUCTION property or the property of another employee, a client, or a visitor.
- 1.3.4.11 Creating or contributing to unsanitary or poor housekeeping conditions at the premises of TERRY R PITT CONSTRUCTION.
- 1.3.4.12 Sleeping on the job.
- 1.3.4.13 Making or accepting excessive personal telephone calls or using foul or obscene language on the phone.
- 1.3.4.14 Violating a safety rule or practice of TERRY R PITT CONSTRUCTION such as, but not limited to:
 - 1.3.4.14.1 Failure to report any workplace accident or personal injury in which an employee is involved to the appropriate manager/supervisor or designee as soon as possible.
 - 1.3.4.14.2 Horseplay or any other action that endangers others, TERRY R PITT CONSTRUCTION property, or disrupts work.
 - 1.3.4.14.3 Engaging in an unsafe work practice that may injure or endanger yourself, someone else, the environment, damage company property, or the reputation of TERRY R PITT CONSTRUCTION.
- 1.3.4.15 Making of false, vicious, profane, or malicious statements concerning TERRY R PITT CONSTRUCTION, any of its employees, clients, or any client's employees.

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- 1.3.4.16 Interfering with TERRY R PITT CONSTRUCTION's discipline or efficiency.
 - 1.3.4.17 Falsifying or destroying any timekeeping record, recording time for another employee, or allowing another employee to record your time.
 - 1.3.4.18 Leaving TERRY R PITT CONSTRUCTION premises or one's job during working hours without notifying a supervisor or obtaining permission (non-exempt employees).
 - 1.3.4.19 Failure to abide by set times for lunch/break periods or working unauthorized overtime.
 - 1.3.4.20 Being tardy or absent in violation of company policy.
 - 1.3.4.21 Abuse of paid sick leave or personal leave.
 - 1.3.4.22 No call/no show absences for 2 consecutive days.
 - 1.3.4.23 Immoral conduct or indecency.
 - 1.3.4.24 Unlawful harassment of any kind.
 - 1.3.4.25 Violation of company safety rules such as not using fall protection.
 - 1.3.4.26 Not wearing proper PPE.
 - 1.3.4.27 Violating any TERRY R PITT CONSTRUCTION guideline or procedure.
- 1.3.5 Although the above procedure should be followed in most circumstances, employment with the company is on an *at will* basis. Employees have no legal right to the procedure outlined above and in appropriate circumstances, discipline and/or discharge may be affected without following this procedure. In such cases, the HR department must be consulted.

1.4 PROGRESSIVE DISCIPLINE

- 1.4.1 Progressive discipline provides for a series of graduated corrective actions for repeated and/or increasingly serious violations of company rules, work performance problems, or conduct that is not in the best interest of the company.
- 1.4.2 Verbal warning
 - 1.4.2.1 Used for most minor employee issues. Serves to verbally advise employee that his/her behavior or performance is unacceptable and must be improved and/or not repeated.
 - 1.4.2.2 Informal counseling sessions enable the supervisor and employee to develop action steps for improvement. The supervisor should provide a brief description of the problem and an explanation on how to remedy the situation. The focus should be placed on the employee to make a decision to measure up to the job requirements.
 - 1.4.2.3 The supervisor must ensure that the employee understands what is expected of him/her and the consequences if those expectations are not met.
 - 1.4.2.4 Documentation, including date and facts on the disciplinary report form. Add any pertinent witness statements. Restate the policy and correct practice(s).

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1.4.3 Written warning

1.4.3.1 Used if there is no improvement after the informal discussion; the supervisor should prepare a written document identifying the area(s) needing improvement and identifying specific action steps required to be taken by the employee to improve his/her behavior or performance. If there is no improvement in the employee's behavior or performance, the supervisor should prepare documentation summarizing the problems and stating very clearly what areas need to be improved and the consequences if there is no improvement.

1.4.3.2 Documentation should include the language "if there is no improvement, further disciplinary action will be taken, up to and including termination". Questions regarding written warnings are directed to the HR manager.

1.4.3.3 It is appropriate to have employees sign all the disciplinary documents acknowledging that they have read and understand the action that has/will be taken. However, if the employee refuses to sign, a simple notation *Employee refused to sign* is entered on the disciplinary form. Copies of the document should be placed in the employee's local file. The original should be forwarded to HR for inclusion in the employee's central personnel file and a copy should be given to the employee. This document should stay in the employee's file as a permanent record. Should similar action occur, the manager/supervisor may consider reinstating past disciplinary action rather than progressing to the next disciplinary level.

1.4.3.4 For most cases, written warnings may be presented to employees without a prior oral warning; for example in cases of unauthorized absence or lateness, deliberate inadequate performance, failure to meet and maintain productivity standards, deliberate violation of company rules, failure to follow specified job instructions, or any other offense that is deliberate but correctable.

1.4.4 Written warning with suspension

1.4.4.1 Suspension is based on the seriousness of the action; the supervisor may include a disciplinary suspension without pay. Questions regarding suspension should be directed to HR.

1.4.4.2 As noted above under written warnings, the supervisor should follow the same steps for documenting a suspension. The supervisor should fill out, or have requested completion of, an employee action form indicating the dates the employee is out on suspension and the dates the employee will return from suspension. The employee action form will be sent to payroll by HR. The suspension documentation should be forwarded to HR.

1.4.4.3 Supervisors may be requested to investigate an incident where the fact or decision-makers are not readily available. In these instances, employee(s) may be suspended without pay until all the facts are obtained and the investigation is completed.

1.4.5 Termination

1.4.5.1 Termination is the final step in progressive discipline, which is the result of the employee's failure to improve performance or conduct. This action is taken if the employee's performance or conduct does not improve within the time frame specified in the written

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warning(s) and there are no signs of improvement in the problem area(s). A termination interview should be conducted with the employee preferably with another supervisor present. Before considering termination, consult with the HR manager.

1.4.5.2 Termination is the voluntary or involuntary end of the employment relationship between you and TERRY R PITT CONSTRUCTION. The employment relationship with TERRY R PITT CONSTRUCTION is *at will*, which means that either you or TERRY R PITT CONSTRUCTION may terminate employment at any time, with or without notice, and with or without cause.

1.4.5.3 Upon termination or resignation of employment, you must return all TERRY R PITT CONSTRUCTION supplies and property, including but not limited to ID cards, company laptop computers, cell phones, pagers, system software, name tags, keys, uniforms, any TERRY R PITT CONSTRUCTION training manuals, credit cards, parking cards, phone calling cards, and customer lists. An employee's personal property must be removed from the premises upon resignation or termination.

1.4.6 Supervisors and management share TERRY R PITT CONSTRUCTION's philosophy that good relations and communication between employees and management are essential. Problem solving can start with the employee. Each worker is encouraged to request discussion time with his or her department manager or supervisor whenever necessary.

1.4.7 TERRY R PITT CONSTRUCTION encourages employees to contact their department manager or supervisor regarding a work-related controversy, complaint, dispute, or misunderstanding. The following has been established to address these problems:

1.4.7.1 Discuss the situation with your immediate supervisor.

1.4.7.2 If you are not satisfied with your supervisor's answer, please contact your department manager or HR department who will try to resolve the problem.

1.4.7.3 If you still are not satisfied, continue up the chain of command, up to and including the TERRY R PITT CONSTRUCTION president.

1.4.8 As in all disciplinary actions, each situation is to be carefully evaluated and investigated. The particular step taken in the disciplinary process will depend on the severity of the violation, employee history, and regard to safety. Managers and supervisors should consult with the office if there is any question about whether or not disciplinary action is justified. Employees may be terminated immediately for willful or extremely serious violations. Union or contract employees are entitled to the grievance process specified by their contract.

1.4.9 Supervisors must be consistent in the enforcement of all safety rules.

1.5 SAFETY INCENTIVE PROGRAM

1.5.1 Although strict adherence to safety policies and procedures is required of all employees, the company may choose to periodically provide recognition of safety conscious employees and job sites without accidents through a safety incentive program.

1.6 TRAINING

- 1.6.1 The importance of safe work practices and the consequences of failing to abide by safety rules will be covered in new employee safety orientation and safety meetings. This will help ensure that all employees understand and abide by company safety policies.
- 1.6.2 Employees that are observed performing unsafe acts or not following proper procedures or rules will be retrained by their supervisor. A safety contact report may be completed by the supervisor to document the training. If multiple employees are involved, additional safety meetings will be held.

Terry R.
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