



# **Human Resources Policy and Procedure Manual**

Effective November 1, 2020

## Table of Contents

<b>No</b>	<b>Policy</b>	<b>Effective Date:</b>	<b>Page</b>
<b>INTRODUCTION</b>			
040	Introductory Statement	11/01/2020	7
060	Customer Relations	11/01/2020	8
<b>EMPLOYMENT</b>			
101	Nature of Employment	11/01/2020	10
102	Employee Relations	11/01/2020	11
103	Equal Employment Opportunity	11/01/2020	12
104	Business Ethics and Conduct	11/01/2020	13
105	Hiring of Relatives	11/01/2020	14
106	Employee Medical Examinations	11/01/2020	16
107	Immigration Law Compliance	11/01/2020	17
108	Conflicts of Interest	11/01/2020	18
110	Outside Employment	11/01/2020	20
112	Non-Disclosure	11/01/2020	21
114	Disability Accommodation	11/01/2020	22
116	Job Posting	11/01/2020	24
181	Residency Requirement	11/01/2020	25
<b>EMPLOYMENT STATUS &amp; RECORDS</b>			
201	Employment Categories	11/01/2020	26
202	Access to Personnel Files	11/01/2020	28
203	Employment Reference Checks	11/01/2020	29
204	Personnel Data Changes	11/01/2020	30
205	Introductory Period	11/01/2020	31
208	Employment Applications	11/01/2020	32
209	Performance Evaluation & Compensation Review	11/01/2020	33
210	Job Descriptions	11/01/2020	35
212	Salary Administration	11/01/2020	36
216	Social Security Number Privacy	11/01/2020	38
281	Applicant Procurement and Hiring Process	11/01/2020	39
282	Hiring Former Employees and Status	11/01/2020	41
<b>EMPLOYEE BENEFIT PROGRAMS</b>			
301	Employee Benefits	11/01/2020	42
305	Holidays	11/01/2020	43
306	Workers' Compensation Insurance	11/01/2020	45
308	Time Off to Vote	11/01/2020	50
309	Funeral Leave	11/01/2020	51
311	Jury Duty	11/01/2020	52
312	Witness Duty	11/01/2020	53
313	Benefits Continuation (COBRA)	11/01/2020	54
315	Time Off (Holidays, Vacation, Sick)	11/01/2020	55
316	Health, Dental and Vision Insurance	11/01/2020	48

317	Life Insurance	11/01/2020	59
319	Long-Term Disability	11/01/2020	60
320	Retirement Plan	11/01/2020	61
326	Flexible Spending Account(FSA) Cafeteria Plan	11/01/2020	63
327	Health Savings Account	11/01/2020	64
380	Service Awards	11/01/2020	65
381	Uniforms	11/01/2020	66
382	Professional Training and Development	11/01/2020	68

#### **TIMEKEEPING/PAYROLL**

401	Timekeeping	11/01/2020	70
403	Paydays	11/01/2020	71
405	Employment Termination	11/01/2020	72
407	Severance Pay	11/01/2020	74
408	Pay Advances	11/01/2020	75
409	Administrative Pay Corrections	11/01/2020	76
410	Pay Deductions and Setoffs	11/01/2020	77

#### **WORK CONDITIONS & HOURS**

501	Safety	11/01/2020	78
502	Work Schedules	11/01/2020	79
504	Use of Phone and Mail Systems	11/01/2020	80
505	Tobacco Usage	11/01/2020	81
506	Meal Periods	11/01/2020	83
507	Overtime	11/01/2020	84
508	Use of Equipment and Vehicles	11/01/2020	86
512	Business Travel Expenses	11/01/2020	89
513	Non-Exempt Employee Travel Pay	11/01/2020	93
514	Training Time Pay	11/01/2020	96
516	Computer and Email Usage	11/01/2020	97
517	Internet Usage	11/01/2020	99
518	Workplace Monitoring	11/01/2020	100
522	Workplace Violence Prevention	11/01/2020	101
526	Cellular and Mobile Device Usage	11/01/2020	102
581	Weather Absences	11/01/2020	105
582	Inclement Weather	11/01/2020	106
583	On-Call	11/01/2020	108
584	Cyber Security / Access to Data	11/01/2020	109
585	Software	11/01/2020	110
586	Social Media	11/01/2020	111

#### **LEAVES OF ABSENCE**

601	Family & Medical Leave (FMLA)	11/01/2020	114
605	Military Leave	11/01/2020	119
607	Pregnancy-related Absences	11/01/2020	122

#### **EMPLOYEE CONDUCT & DISCIPLINARY ACTION**

701	Employee Conduct and Work Rules	11/01/2020	124
702a	Drug and Alcohol Use – DOT Employees	11/01/2020	126
702b	Drug and Alcohol Use – Non-DOT Employees	11/01/2020	141

703	Sexual and Other Unlawful Harassment	11/01/2020	153
704	Attendance and Punctuality	11/01/2020	155
705	Personal Appearance	11/01/2020	156
706	Return of Property and Access	11/01/2020	157
708	Resignation	11/01/2020	158
709	Possession of Weapons on Company Premises	11/01/2020	159
710	Security Inspections	11/01/2020	160
712	Solicitation	11/01/2020	161
716	Disciplinary Procedure	11/01/2020	162
718	Problem Resolution	11/01/2020	164
781	Employee Identification Badge	11/01/2020	165
782	Security and Keys / Facilities Access	11/01/2020	166
783	Tools and Equipment	11/01/2020	167
784	Political Activity	11/01/2020	168
785	Bulletin Boards	11/01/2020	169
801	A Few Closing Words	11/01/2020	170

## OUR VISION

Benton Utilities is committed to serving our customers with excellence, planning for the future and delivering exceptional services to our community.

## OUR MISSION

Benton Utilities is dedicated to exceeding our customers' expectations in producing and delivering safe, affordable, reliable, innovative and environmentally-sound utility and telecommunication services while enhancing the quality of life in our community.

## CORE VALUES

---



### **CUSTOMER SATISFACTION**

We commit ourselves each day to provide an exceptional customer experience, for both our external and internal customers.



### **INNOVATION**

We will continue to innovate in ways that benefit the community and Company.



### **RELIABILITY**

We place a premium on reliability because we know how integral our services are in the lives of our customers. Our focus on infrastructure, technology and employee development reflect our commitment to providing customers with world-class reliability.



### **SAFETY**

We will not compromise the safety of ourselves, our fellow employees or our customers.



### **RESPONSIBILITY**

We are committed to fiscal and environmental stewardship of all resources. We will make prudent decisions to maintain the critical balance between financial stability, reliable operations and delivering services to customers at the best value.



### **COMMUNITY**

Our commitment to the community where we work and live is the reason we were founded. We remain dedicated to enhancing the quality of life in our community through our services, education initiatives and economic development involvement.

## **INTRODUCTION**

For employees who are beginning employment with Benton Utilities, on behalf of the Company, let me extend a sincere welcome to our team. You are joining a dedicated group of employees that provide essential and necessary services to our customers.

For employees who have been with us, thank you for your past and continued service and your dedication to our customers and our mission.

I extend my best wishes for success and fulfillment during your time here at Benton Utilities. It is our employees who help provide the products and services that our customers rely upon, and will enable us to create new opportunities in the years to come.

*David Vondran, General Manager/Chief Executive Officer*

## **ABOUT THIS MANUAL / DISCLAIMER**

This manual is designed to be used as a guide and reference for employees in leadership and supervisory roles who are responsible for administering personnel policy and procedure. It will also help employees find the answers to many questions that they may have regarding their employment with Benton Utilities. The contents of this manual address the personnel areas which have general application throughout the Company.

The contents of this manual do not constitute an expressed or implied employment contract with any individual employee or group of employees with the Company. (See Employment at Will -- Policy 101).

We do not expect this manual to answer all questions. Managers and Human Resources also serve as a major source of information. No manual can anticipate every circumstance or question about policy.

As Benton Utilities continues to grow and evolve in an ever-changing business climate, the need may arise and Benton Utilities reserves the right to revise, supplement, or rescind any policies or portion of the manual from time to time as it deems appropriate, in its sole and absolute discretion. However, the employment-at-will policy permitting an employee or Benton Utilities to end our relationship for any reason at any time will not be revised or rescinded. Employees will, of course, be notified of such changes to the manual as they occur.

This manual includes only general guidelines. Benton Utilities may, at any time, in its sole discretion and with express approval of the CEO and/or board of directors, modify or vary from anything stated in this manual, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the employee and the General Manager/CEO.

Within the context of this manual, the use of the words "he", "his", "him", "her", and/or "she" is for the sake of clarity and is not to be construed as discriminatory.

This manual is a management tool and is not a substitute for prudent common sense. The Company retains the right to exercise all the rights and functions of management.

In this manual a POLICY is a general statement of a Company goal. PROCEDURES are specific steps for reaching those goals. This manual supersedes all prior manuals.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **CUSTOMER RELATIONS**

The most important thing that we do is serve our customers. Every employee represents Benton Utilities to our customers and the public. The way we do our jobs presents an image of our entire organization. Customers judge all of us by how they are treated with each employee contact. Therefore, one of our first business priorities is to assist any customer or potential customer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to customers.

Our personal contact with the public, our manners on the telephone, and the communications we send to customers are a reflection not only of ourselves, but also of the professionalism of Benton Utilities. Positive customer relations not only enhance the public's perception or image of Benton Utilities, but also pay off in greater customer loyalty.

### **Customer Service Goals**

- For all customers to feel respected, engaged, valued, and confident.
- To communicate the value of Benton Utilities' products and services by educating customers on how our products meet their individual needs and enhance their lives



# Benton Utilities Personnel Policy and Procedure Manual

## INTERNAL CUSTOMER SERVICE GOALS

### **We serve our co-workers to better serve our customers.**

By serving our co-workers, we empower and support one another to serve our customers – and accomplish our mission to exceed customers' expectations in producing and delivering safe, affordable, reliable and environmentally-sound utility and telecommunication services while enhancing the quality of life in our community.

My co-worker is my customer. Our goal for external and internal customers is the same. We want our customers to feel confident, engaged, respected and valued.

- > We are **accountable** to one another.
- > We will keep each other informed – **communicating** clearly, often, and in a **timely** manner.
- > We demonstrate **commitment** to and take pride in our work – accuracy and quality matter.
- > We will demonstrate **dedication** to our job and **loyalty** to one another.
- > We can **depend** on each other. We will demonstrate a **team** spirit, **transparency** and **trust**. When one of us wins, we all win.
- > We will seek, **listen** and act on input of affected employees prior to launching a new initiative.
- > We will **respect** our co-workers and the value they bring to Benton Utilities.
- > We will selflessly celebrate the success of our fellow employees and inspire future **success**.
- > We will remember our core values – **safety, customer satisfaction, innovation, reliability, responsibility and community**.
- > We will strive for **excellence** in all we do.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **101 Nature of Employment**

Effective Date: 11/01/2020

All employees of the Company, who do not have a written employment contract for a specific fixed term of employment, are employed at the will of the Company for an indefinite period.

Employment with Benton Utilities is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, Benton Utilities may terminate the employment relationship at will at any time, with or without notice or cause.

Policies set forth in this manual are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between Benton Utilities and any of its employees. The provisions of the manual have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at Benton Utilities' sole discretion.

No Company representative, manager or supervisor other than the General Manager/Chief Executive Officer, is authorized to modify this policy for any employee or to enter into any agreement, oral or written, contrary to this policy. No statements made in pre-hire interviews or discussions, or in recruiting materials of any kind, are to alter the at-will nature of employment or imply that discharge will occur only for cause.

Statements of specific grounds for termination set forth in the manual or any other Company documents are examples only, not all-inclusive lists, and are not intended to restrict the Company's right to terminate at-will.

Completion of an introductory period or change to regular status does not change an employee's status as an "employee-at-will" or in any way restrict the Company's right to terminate or change the terms or conditions of employment.

### **SUPERVISORY CONCERNS**

Supervisory and management personnel must exercise extreme caution to avoid inaccurate representations concerning the Company's policies with respect to:

1. the term of an applicant's or employee's employment;
2. specific or limited grounds for termination; or,
3. the procedures for discipline and termination.

Job applicants should be told about the essential duties of the job and the organization in accurate and realistic terms. Never overstate job security, advancement opportunities, discipline and discharge policies, or other terms or conditions of employment.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the General Manager/Chief Executive.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **102 Employee Relations**

Effective Date: 11/01/2020

Benton Utilities is committed to maintaining excellent employee relations because we realize the importance of each employee to the success of our business and because we want each employee to be successful and productive in his work.

Toward this goal we will strive to:

1. Employ the most qualified individuals who are willing workers and who can develop into effective, engaged and dedicated employees.
2. Treat all employees fairly and with respect. Be responsive to employee questions. Be supportive when they have problems.
3. Promote from within whenever practical and offer opportunities to qualify for promotion.
4. Resolve legitimate employee complaints and problems quickly and fairly.
5. Maintain compensation and benefit programs which attract and retain quality employees.
6. Provide clean, healthy and safe places to work with all employees doing their share toward the accomplishment of this goal.
7. Exercise fairness and consistency in handling disciplinary matters.
8. Maintain credible, on-going communications with employees.

Benton Utilities' work conditions, wages, and benefits offered to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. Benton Utilities demonstrates its commitment to employees by responding effectively to employee concerns.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **103 Equal Employment Opportunity**

Effective Date: 11/01/2020

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Benton Utilities will be based on merit, qualifications, and abilities. Benton Utilities does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, sexual orientation, national origin, age, pregnancy, disability, genetic information, veteran status, or any other protected classification which may be applicable under Federal law or Arkansas law.

This commitment includes:

Hiring, placement, promotion, transfer, disciplinary actions, demotion, layoffs, returns from lay-off and terminations.

Recruitment, advertising or solicitation for employment.

Rates of pay or other forms of compensation or employee benefit programs.

Social and recreational programs.

Education and training activities.

Benton Utilities will make reasonable accommodations for qualified individuals with disabilities so that they can perform the essential functions of their jobs unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by a reasonable accommodation, or if the accommodation creates an undue hardship upon Benton Utilities' business operations. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or the Human Resources Department. Employees can raise concerns and make reports without fear of reprisal. Benton Utilities does not allow any form of retaliation against individuals who make complaints under this policy. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment. Any person found to have made a false report of unlawful discrimination will also be subject to disciplinary action, up to and including termination of employment.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **104 Business Ethics and Conduct**

Effective Date: 11/01/2020

The successful business operation and reputation of Benton Utilities is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a commitment to the highest standards of conduct and personal integrity.

The continued success of Benton Utilities is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to Benton Utilities and its customers to act in a way that will merit the continued trust and confidence of the public.

Benton Utilities will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor or department manager for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every Benton Utilities employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **105 Hiring of Relatives / Employee Relationships**

Effective Date: 11/01/2020

The employment of close relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships.

Close relatives of current employees may not occupy a full-time position that will be working directly for or supervising their relative, if there is a possibility that the employee would be supervised by the same manager, or if there would be a potential conflict of interest. For purposes of this policy, a close relative is defined as:

- a. Employee's spouse, or the employee or spouse's:
- b. Parents
- c. Grandparents
- d. Brothers
- e. Sisters
- f. Children
  
- g. Aunts and Uncles
  
- h. Nieces and Nephews
  
- i. First Cousins

If a relative relationship is established after employment between employees who are in a reporting situation described above, it is the responsibility and obligation of the supervisor involved in the relationship to disclose the existence of the relationship to management. Management will review the situation to determine appropriate actions to be taken, up to and including separation of employees by reassignment or termination of employment.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. Benton Utilities generally will attempt to identify other available positions, but if no alternate position is available, Benton Utilities retains the right to decide which employee will remain with Benton Utilities. The Decision will be based on objective factors, including but not limited to, length of employment, job performance and disciplinary records, unique skill sets, etc.

In other cases where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, management will review the situation to determine appropriate actions to be taken, up to and including separation of employees by reassignment or termination of employment.

## **Benton Utilities Personnel Policy and Procedure Manual**

When the present or future assignments of employees affected by this procedure do not create an unfavorable security or supervision problem, both may be permitted to remain with the Company, upon review and approval of management.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **106 Employee Medical Inquiries and Examinations**

Effective Date: 11/01/2020

To help ensure that employees are able to perform their duties safely, medical inquiries and examinations may be required.

After an offer has been made to an applicant entering a designated job category, a medical examination will be performed at Benton Utilities' expense by a health professional of Benton Utilities' choice. The offer of employment and assignment to duties is contingent upon satisfactory completion of the exam.

Current employees may be required to submit to medical examinations for certain purposes during their period of employment. Such an examination is intended to ensure that the employee continues to be physically and mentally able to perform the essential functions of the employee's position. Examples include but are not limited to: mandatory drug and alcohol testing, DOT physicals for maintaining Commercial Driver's License, examination to certify continued eligibility for Family and Medical Leave (FMLA) or other medically related leaves of absence, examination to assess eligibility for Workers' Compensation, examinations required for Occupational Safety and Health programs, examinations to determine eligibility for extended sick leave or disability leave, etc. A medical examination may also be required to determine an employee's ability to return to work following a medically related leave of absence.

Medical examinations for post-offer pre-employment testing, drug and alcohol testing, CDL physicals, and fitness for duty will be scheduled at reasonable times and intervals and performed at Benton Utilities' expense. Medical examinations for FMLA, extended leave or disability leave will be scheduled by the employee at the employee's expense.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially. Access to this information will be limited to those who have a legitimate need to know as determined by Benton Utilities' Human Resources Department.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **107 Immigration Law Compliance**

Effective Date: 11/01/2020

Benton Utilities is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with Benton Utilities within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the Human Resources Department. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **108 Conflicts of Interest**

Effective Date: 11/01/2020

It is Benton Utilities' policy that all employees avoid any conflict between their personal interests and those of Benton Utilities. The purpose of this policy is to ensure that Benton Utilities' honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of Benton Utilities.

This policy establishes only the framework within which Benton Utilities wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the General Manager/Chief Executive Officer for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the executive level of Benton Utilities. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific executive-level approval.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of Benton Utilities' business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to their direct supervisor as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which Benton Utilities does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Benton Utilities.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Benton Utilities, by any employee

## **Benton Utilities Personnel Policy and Procedure Manual**

who is in a position to directly or indirectly influence either the Benton Utilities' decision to do business, or the terms upon which business would be done with such organization;  
holding any interest in an organization that competes with the Benton Utilities;

2. being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Benton Utilities or which competes with the Benton Utilities; and/or profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with the Benton Utilities.

A conflict of interest would also exist when a member of the employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is the employee's responsibility to report any actual or potential conflict that may exist between the employee (and the employee's immediate family) and Benton Utilities.

**Sponsored Contest Eligibility.** In the event Benton Utilities sponsors a contest, competition or sweepstakes drawing for the public, current employees and board members, and the immediate family members or persons living in the same household as current employees or board members, are ineligible to participate.

The term "immediate family members" means:

- a. Employee's spouse, or the employee or spouse's:
- b. Parents
- c. Grandparents
- d. Brothers
- e. Sisters
- f. Children

# **Benton Utilities Personnel Policy and Procedure Manual**

## **110 Outside Employment**

Effective Date: 11/01/2020

Employees may hold outside jobs as long as they meet the performance standards of their job with Benton Utilities. All employees will be judged by the same performance standards and will be subject to Benton Utilities' scheduling demands, regardless of any existing outside work requirements.

If Benton Utilities determines that an employee's outside work interferes with performance or the ability to meet the requirements of Benton Utilities as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with Benton Utilities.

Outside employment that constitutes a conflict of interest is prohibited. Outside employment will present a conflict of interest if it has an adverse impact on Benton Utilities. Employees may not receive any income or material gain from individuals outside Benton Utilities for materials produced or services rendered while performing their jobs with Benton Utilities.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **112 Non-Disclosure of Confidential Information**

Effective Date: 11/01/2020

The protection of confidential business information and trade secrets is vital to the interests and the success of Benton Utilities. Such confidential information includes, but is not limited to, the following examples:

- computer processes
- computer programs and codes
- customer data
- financial information
- marketing strategies
- pending projects and proposals
- technological data
- technological prototypes
- legal action in which Benton Utilities is a party
- information that could have an impact on ongoing negotiations with potential suppliers

All employees may be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information. The confidential business information and trade secrets are also protected by the Arkansas Theft of Trade Secrets Act.

# Benton Utilities Personnel Policy and Procedure Manual

## 114 Disability Accommodation

Effective Date: 11/01/2020

Benton Utilities is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures have been reviewed and provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

Post-offer medical examinations are given to all persons entering the position only after conditional job offers. Medical records will be kept separate and confidential.

**Accommodations for Individuals with Disabilities:** Benton Utilities will make reasonable accommodations, as required by law, for the known physical or mental disabilities of an otherwise qualified applicant or employee, unless doing so would impose an undue hardship upon the Company's business operations. An accommodation is not reasonable if, even with the accommodation, the employee is unable to perform essential functions of a position in a manner that would not endanger the employee's health or safety of the employee or others.

Any applicant or employee who believes he or she requires an accommodation in order to perform the essential functions of the job should contact the Human Resources Department to request such an accommodation. Benton Utilities may request appropriate medical documentation explaining the underlying physical or mental disability and the basis for the requested accommodation. The Company then will review and analyze the request, including engaging in an interactive process with the employee or applicant, to identify if such a reasonable accommodation can be made. The Company will evaluate requested accommodations, and as appropriate identify other possible reasonable accommodations, if any. The employee will be notified of the Company's decision regarding the request within a reasonable period. While the employee may request a specific accommodation, the employee is not entitled to the accommodation of his choice. The Company treats all medical information submitted as part of the accommodation process in a confidential manner. Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. Leave of all types will be available to all employees on an equal basis.

Benton Utilities is also committed to nondiscrimination against any qualified employees or applicants because they are related to or associated with a person with a disability. Benton Utilities will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

This policy is neither exhaustive nor exclusive. Benton Utilities is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in

## **Benton Utilities Personnel Policy and Procedure Manual**

accordance with the ADA and all other applicable federal, state, and local laws.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Human Resources Department. Benton Utilities will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If employees feel they have been subjected to any such retaliation, they should contact the Human Resources Department. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigation

# **Benton Utilities Personnel Policy and Procedure Manual**

## **116 Job Posting**

Effective Date: 11/01/2020

Benton Utilities is dedicated to assisting employees in managing their careers and reaching their professional goals through promotion and transfer opportunities. Benton Utilities provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full-time job openings are posted, although not all positions are guaranteed to be posted. Benton Utilities reserves the right to seek applicants solely from outside sources or to post positions internally and externally simultaneously.

Job openings will be posted online and on employee bulletin boards and typically remain open for 14 days. Each job posting notice will include the dates of the posting period, job title, department, location, job summary, essential duties, and qualifications (required skills and abilities).

To be eligible for a posted job, employees must meet the following requirements:

- be a current full-time or part-time employee;
- have been employed with Benton Utilities for at least twelve (12) months;
- maintain a performance rating of satisfactory or above;
- not be on conduct/performance-related Employee Performance Development Plan, on probation or warning;
- meet the job qualifications listed on the job posting.

To apply for an open position, employees should submit an online employment application listing job-related skills and accomplishments. It should also describe how their current experience with Benton Utilities and prior work experience and/or education qualifies them for the position.

Benton Utilities recognizes the benefit of developmental experiences and encourages employees to talk with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.

An applicant's supervisor may be contacted to verify performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a prospective transfer may also be discussed.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **181 Residency Requirement**

Effective Date: 11/01/2020

There are certain jobs at Benton Utilities that have a residency requirement. Employees subject to call-out and certain other personnel are required to reside within the Quick Response Boundary.

The Quick Response Boundary is defined as the area in which an employee can safely drive from home to the employee's department location within 30 minutes or less.

Employees are required to live within the Quick Response Boundary and must continue to reside within this area while employed in such job, and provide current physical address to Human Resources Department.

The purpose of this policy is to ensure that we give our customers the best service by having the quickest possible response time, especially during periods of service interruption.

New employees subject to this residency requirement must establish such residency no later than the completion of their introductory employment period.

An employee who is subject to the residency requirement, and who moves his residency outside the Quick Response Boundary, shall be deemed to resign his position on the date that the transfer of residency takes place.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **201 Employment Classifications**

Effective Date: 11/01/2020

It is the intent of Benton Utilities to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and Benton Utilities.

Each employee is designated as either NONEXEMPT or EXEMPT for the purposes of federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws, and do not receive overtime pay. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by Benton Utilities management in consultation with the Human Resources Department.

In addition to the above categories, each employee will belong to one other employment category:

1. **REGULAR FULL-TIME** employees are those who are not in a temporary or introductory status and who are regularly scheduled to work Benton Utilities' full-time schedule of 40 hours per week.

Regular full-time employees are hired at an authorized salary level.

The salary of a regular full-time EXEMPT employee is based on a 40-hour work week, but may be quoted as either an annual, monthly, weekly or hourly figure for clarity. The wage of a regular full-time NON-EXEMPT employee is based on an hourly rate and is so quoted.

All regular full-time employees are eligible for Benton Utilities' benefit package, subject to the terms, conditions, and limitations of each benefit program.

2. **INTRODUCTORY** employees are those whose performance is being evaluated to determine whether further employment in a specific position or with Benton Utilities is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new employment classification.
3. **PART-TIME** employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than 30 hours per week.

Part-time employees are hired for an authorized position and at an authorized wage rate. The employee is paid only for actual hours worked. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of Benton Utilities' other benefit programs.

4. **TEMPORARY** employees are those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment

## **Benton Utilities Personnel Policy and Procedure Manual**

assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of Benton Utilities' other benefit programs.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **202 Access to Personnel Files**

Effective Date: 11/01/2020

Benton Utilities maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of Benton Utilities, and access to the information they contain is restricted. Generally, only supervisors and management personnel of Benton Utilities who have a legitimate reason to review information in a file are allowed to do so.

Employee records are strictly confidential, and Benton Utilities is obligated under the Privacy Act to maintain this confidentiality, subject to any limitations required by the Freedom of Information Act. Employee files are thus governed by the following:

1. All official files are maintained and retained by the Human Resources Department.
2. No files may be removed except by the Human Resources Director or designee in charge.
3. Supervisors, who wish to review one of their subordinates' files, may do so only in the Human Resources Director's office.
4. No copies of the contents of an employee's file may be made except by permission of the Human Resources Director or an official designee.
5. Employees who wish to review their own file should contact the Human Resources Department. With reasonable advance notice, employees may review their own personnel files, at a time convenient to their supervisor, in Benton Utilities' offices and in the presence of Human Resources Director or designee in charge.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **203 Employment Reference Checks**

Effective Date: 11/01/2020

To ensure that individuals who join Benton Utilities are well qualified and have a strong potential to be productive and successful, it is the policy of Benton Utilities to check the employment references of all applicants.

The Company cooperates with former employees by responding to requests for employment references made by a prospective employer. Due to the increasingly sensitive nature of employment reference information and the potential legal implications, only the Human Resources Director or authorized designee will respond to all reference check inquiries from other employers.

Supervisors or other employees who receive a reference request must refer the requesting party to the Human Resources Director. Without a specific release signed by the employee or former employee, responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held.

***Only the Human Resources Department may provide references.***

# **Benton Utilities Personnel Policy and Procedure Manual**

## **204 Personnel Data Changes**

Effective Date: 11/01/2020

It is the responsibility of each employee to promptly notify Benton Utilities of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Human Resources Department.

Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach employees in a crisis could cause a severe health or safety risk or other significant problem.

### **EMPLOYEES SUBJECT TO CALL-OUT**

Employees, whose job duties require them to live within specified residency area in order to provide quick response to call-out, must provide Human Resources Department with:

- Physical residential address (P. O. Box only is not sufficient)
- Current telephone number

# **Benton Utilities Personnel Policy and Procedure Manual**

## **205 Introductory Period**

Effective Date: 11/01/2020

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Benton Utilities uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Benton Utilities may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 6 months after their date of hire. Employees who are promoted or transferred within Benton Utilities must complete a secondary introductory period of the same length with each reassignment to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If Benton Utilities determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

In cases of promotions or transfers within Benton Utilities, an employee who, in the sole judgment of management, is not successful in the new position can be removed from that position at any time during the secondary introductory period. If this occurs, the employee may, in Benton Utilities' sole, absolute and unfettered discretion, be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and Benton Utilities' needs.

Upon completion of the initial introductory period, the supervisor is obligated to evaluate the job performance of the provisional employee and determine whether the employee enters the "regular" employment classification. If the employee is not at work on the day the introductory period ends, regular status is delayed until the employee returns to work full-time.

Upon completion of the secondary introductory period, the supervisor is obligated to evaluate the job performance of the employee; however, employment status is not changed during the secondary introductory period that results from a promotion or transfer within the Company.

If the introductory employee has been determined to be unsatisfactory and termination of employment is in order, the supervisor consults with the manager and the General Manager/Chief Executive Officer before termination is discussed with the employee. The supervisor will have completed all required written documentation at the time of the termination.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **208 Employment Applications**

Effective Date: 11/01/2020

Employment applications are accepted online through Benton Utilities' website. The online application system is administered by the Human Resources Department.

Applications will be accepted online only according to the following conditions:

1. There is an open and advertised job vacancy.
2. All telephone calls about possible employment are to be referred to the Human Resources Department. Persons making such calls will be invited to complete an online application for employment provided there is a job vacancy.
3. Every person applying for a specific job opening must complete an application for employment form.
4. All applicants must specify the job being applied for. Applicants applying for "any job" will not be considered as an applicant for advertised job openings, and their application form will not be recorded or retained.
5. All job openings will be assigned a cutoff date beyond which additional applications will not be accepted. If no qualified applicants have been identified by the cutoff date, a new date will be assigned and appropriate applicant sources notified.
6. Unsolicited resumes will not be recorded or retained unless the listed qualifications match the requirements of positions where potential candidates are known to be scarce.

Benton Utilities relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

Benton Utilities is committed to providing reasonable accommodations for qualified individuals with disabilities and disabled veterans in our job application procedures. If any applicant needs assistance or an accommodation in completing an application due to a disability, they will be directed to contact our Human Resources Department.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **209 Performance Evaluation & Compensation Review**

Effective Date: 11/01/2020

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's initial period in any new position. This period, known as the introductory period, allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

The policy of the Benton Utilities is to review each employee's compensation status following the completion of the job performance evaluation. The performance evaluation and wage and salary review are conducted according to the following established procedure and schedule:

1. Performance evaluation and wage and salary review schedule:
  - a. At the end of the initial six-month introductory period or secondary introductory period.
  - b. All regular non-exempt and exempt employees during the month of August and/or September
  - c. When an employee's classification is changed to a job with greater or lesser responsibility.
2. Procedure:
  - a. The Human Resources Department initiates the appropriate electronic employee performance review (s) to the superintendent or manager.
  - b. The performance review is conducted, and an electronic wage or salary recommendation is made.
  - c. Appropriate reviews are made by management and wage adjustments (if any) approved by General Manager/Chief Executive Officer. Salary adjustment is not automatic with a performance review, but is at the discretion of the General Manager/Chief Executive Officer in consultation with employee's supervisor and the Human Resources Department.
  - d. All forms are returned to the Human Resources Department for processing.
  - e. Approved adjustments become effective as follows:
    - Introductory period review on the first pay period following completion date of initial or secondary introductory period.
    - One year and subsequent anniversary review on the first pay period

## **Benton Utilities Personnel Policy and Procedure Manual**

following service anniversary date.

- Regular non-exempt and exempt employees annual review on the first day of the first full pay period that begins in October.
- A change of classification adjustment on the first day of the next pay period after approval is given.

Merit-based pay adjustments are awarded by Benton Utilities in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process. In addition to these formal performance evaluations, Benton Utilities encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **210 Job Descriptions**

Effective Date: 11/01/2020

Benton Utilities makes every effort to create and maintain accurate job descriptions for all positions within the organization.

Benton Utilities maintains job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities.

The Human Resources Department and the hiring manager prepare job descriptions when new positions are created. Existing job descriptions are also reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities. All employees will be expected to help ensure that their job descriptions are accurate and current, reflecting the work being done.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibilities may be assigned as necessary. Contact the Human Resources Department if you have any questions or concerns about your job description.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **212 Salary Administration**

Effective Date: 11/01/2020

The salary administration program at Benton Utilities was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented employees is critical to our success, Benton Utilities is committed to paying its employees equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated employees in other organizations in the area.

Compensation for every position is determined by several factors, including the essential duties and responsibilities of the job, and pay in the market place. Benton Utilities periodically reviews its salary administration program and restructures it as necessary. Merit-based pay adjustments may be awarded in conjunction with superior employee performance documented by the performance evaluation process.

The wage or salary of a regular, full-time employee is computed as follows:

1. Non-exempt wages are computed based on hours actually worked.
2. Exempt wages are computed based on each 40-hour workweek.

See Policy 201 (Employment Categories) for additional information regarding employee wages and salaries.

It is the policy of Benton Utilities to pay non-exempt employees for each hour worked and at least one- and one-half-time employees' regular rate of pay for each hour worked in excess of forty (40) in a workweek.

Employees qualifying as exempt under the Fair Labor Standards Act (FLSA) regularly receive a predetermined amount of compensation each pay period, subject to certain exceptions. Benton Utilities prohibits deductions from compensation in violation of the FLSA or Arkansas law. If an employee believes that s/he has been subjected to an inadvertent deduction from his/her compensation, the following should apply:

1. The employee should report the alleged deduction to his supervisor.
2. Each complaint will be investigated, and a determination concerning the deduction will be made.
3. If it is determined that the deduction was inappropriate, the employee will be reimbursed.

Benton Utilities will make a good faith effort to comply with the provisions of the FLSA and any other applicable federal or state law at all times.

Wage and salary information is confidential and is not to be discussed with other employees or persons outside the Company. Such information will be made available on a "need to know" basis as follows:

## **Benton Utilities Personnel Policy and Procedure Manual**

1. All employee compensation information is available to the General Manager/Chief Executive Officer.
2. Managers and Superintendents have access to pay data for all employees assigned to their individual areas of responsibility.
3. Any employee may have information about his/her own wage or salary.

Employees should bring their pay-related questions or concerns to the attention of their immediate supervisors, who are responsible for the fair administration of departmental pay practices. The Human Resources Department is also available to answer specific questions about the salary administration program.

Pay information is subject to Freedom of Information Act requests.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **216 Social Security Number Policy**

Effective Date: 11/01/2020

To protect employees' personal information, Benton Utilities prohibits the use of employees' Social Security numbers for identification purposes, except as allowed by law. Benton Utilities will not:

- Publicly post or publicly display in any manner an employee's Social Security number. "Publicly post" or "publicly display" means to intentionally communicate or otherwise make available to the general public.
- Print an employee's Social Security number on any card required for the employee to access products or services provided by Benton Utilities.
- Require an employee to transmit his or her Social Security number over the Internet, unless the connection is secure or the Social Security number is encrypted.
- Require an employee to use his or her Social Security number to access an Internet web site, unless a password or unique personal identification number or other authentication device is also required to access the Internet web site.
- Print an employee's Social Security number on any materials that are mailed to the employee, unless state or federal law requires the Social Security number to be on the document to be mailed.

However, Social Security numbers may be included in applications and forms sent by mail, including documents sent as part of an application or enrollment process; or to establish, amend, or terminate an account, contract, or policy; or to confirm the accuracy of the Social Security number.

Benton Utilities will continue to collect, use, or release Social Security numbers as required by state or federal law, and may use Social Security numbers for internal verification or administrative purposes.

Employees who have questions about this policy or who feel that their Social Security number has been used inappropriately by Benton Utilities should contact the Human Resources Department.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **281 Applicant Procurement and Hiring Process**

Effective Date: 11/01/2020

### **Applicant Procurement**

The process of applicant procurement belongs to the Human Resources Department. Its duties include:

1. Acquiring all initial applications for a job opening.
2. Assisting the hiring official in interviewing applicants with qualifications matching those required by the job opening.
3. Maintaining applicant flow records for EEO purposes.
4. Assisting the hiring official in the selection process as appropriate. When the hiring decision is made, hiring official will direct selected applicant to contact the Human Resources Department to schedule a time for the formal job offer. The Human Resources Department will coordinate all pre-employment background checks, physical examinations, drug tests, etc.
5. Securing all interview documents, including hiring official comments of those interviewed, and properly processing according to Benton Utilities policies, EEO requirements
6. Notifying applicants who were not interviewed that the position is filled.

When a job vacancy occurs, the hiring official will contact the Human Resources Department to activate a standard procedure for acquisition of qualified applicants.

1. Secure approval from CEO to initiate hiring procedures. A current job description and pay scale must be on file.
2. Current employees of that department are evaluated to determine if any have the required qualifications.
3. In the event no qualified employee is identified, a job requisition is prepared and posted electronically. The following applicant recruitment sources may be utilized as appropriate:
  - a. Employee referral
  - b. Newspaper advertisements
  - c. Private employment agencies
  - d. Referral from education institutions and other responsible organizations and individuals
  - e. Job Search Websites

## **Benton Utilities Personnel Policy and Procedure Manual**

4. Applications and resumes procured will be available online to the hiring official for review and interview selection.
5. Prior to interviewing applicants, hiring official will review guidelines for interviewing, to ensure compliance with law and Benton Utilities policy and procedure.
6. Hiring official will complete an Applicant Evaluation Form for each applicant interviewed and check references on top applicant or applicants, recording findings on appropriate forms.
7. Hiring official shall rank applicants, and make final recommendation and obtain approval of recommended applicant and pay rate from Human Resources Director and General Manager/Chief Executive Officer.
8. Hiring official shall refer to Human Resources Department to make offer of employment. An appointment will be scheduled for applicant to meet with Human Resources Director, or designee, at which time a conditional job offer will be made, contingent upon successful results from appropriate physical exam, drug test, criminal background check, traffic record check and past employment verification.
9. After position is filled, hiring official shall notify candidates who were interviewed but not hired that the position has been filled. Alternatively, hiring official may request that notifications be sent out from the Human Resources Department



# **Benton Utilities Personnel Policy and Procedure Manual**

## **282 Hiring Former Employees and Status**

Effective Date: 11/01/2020

1. A former employee, who desires to work for Benton Utilities, may be considered providing he/she:
  - a. Had a satisfactory performance rating for the last full span of previous employment.
  - b. Had an acceptable attendance record.
  - c. Gave proper notice of intent to quit.
  - d. Was not terminated for cause.
  - e. Was determined to be eligible for rehire on final action notice at time of termination.
2. Depending on this record, a former employee may receive consideration for job openings for which he/she qualifies.
3. A former employee who is rehired is considered to be the same as a new employee. The exception is the employee returning from military service who is guaranteed reemployment by law and must receive credit for continuous service and other benefits. Credit for years of service with other organizations or Benton Utilities may be granted to a former employee at the sole, discretion of the CEO.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **301 Employee Benefits**

Effective Date: 11/01/2020

In addition to good working conditions and competitive pay, it is Benton Utilities' policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacation time, sick leave and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefits programs and policies to better meet present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Benton Utilities provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon request from a Human Resources team member. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this manual.

Further, Benton Utilities (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While Benton Utilities intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If employees have any questions regarding benefits, they should contact the Human Resources Director.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **305 Holidays**

Effective Date: 11/01/2020

Benton Utilities will grant holiday time off to all employees on the holidays listed below:

- \* New Year's Day (January 1)
- \* Martin Luther King, Jr. Day (third Monday in January)
- \* Presidents' Day
- \* Memorial Day (last Monday in May)
- \* Independence Day (July 4)
- \* Labor Day (first Monday in September)
- \* Veteran's Day
- \* Thanksgiving (fourth Thursday in November)
- \* Day after Thanksgiving
- \* Christmas Eve (December 24)
- \* Christmas (December 25)
- \* Employee Birthday (Observed on or within one week either side of the employee's birthdate.)

Benton Utilities will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times 8 hours. Eligible employee classification(s):

- \* Regular full-time employees
- \* Introductory employees

Holidays falling on Sunday will be observed on the following Monday. Holiday's falling on Saturday are observed on the preceding Friday.

Birthday holidays should be taken on the birthday or within one week either side of the birthday. With manager or superintendent approval, birthday holidays may be scheduled outside this 2-week period. Birthday holiday must be taken as 8 hours in one day.

If a recognized holiday falls during an eligible employee's paid absence (such as vacation), holiday pay will be provided instead of the benefit that would otherwise have applied.

A holiday occurring on an employee's regularly scheduled day off will be observed by the employee on the employee's next regularly scheduled work day.

### **Holiday Overtime**

1. Full-time non-exempt employee: If full-time nonexempt employees, work on a recognized holiday, they will receive holiday pay, not to exceed 8 hours, plus wages at one and one-half times their straight-time rate for the hours worked on the holiday. For example, a full-time employee working 4 hours on a holiday would receive 8 hours holiday pay plus 4 hours at time and one-half. A full-time employee working 12 hours would receive 8 hours holiday pay plus 12 hours at time and one-half.

## **Benton Utilities Personnel Policy and Procedure Manual**

2. Part-time employees: If part-time employees work on the recognized holiday, they will also receive holiday pay for hours worked, not to exceed 8 hours, plus wages at one and one-half times their straight-time rate for all hours worked on the holiday. For example, a part-time employee working 4 hours on holiday would receive 4 hours holiday pay plus 4 hours at time and one-half. A part-time employee working 12 hours would receive 8 hours holiday pay plus 12 hours at time and one-half.

There are occasionally observed holidays which do not fall on the actual holiday:

- New Year's Day
- 4<sup>th</sup> of July
- Christmas Eve
- Christmas Day

When these holidays fall on a weekend, the observed holiday is a week day. However, scheduled shifts must be covered on the weekend day on which the actual holiday falls.

For non-exempt full-time and part-time employees working on the actual holiday that is not the observed holiday, all hours worked will be paid at one and one-half times their straight-time rate for hours worked – regardless of the number of hours worked that week.

For non-exempt full-time employees, the hours worked on actual (not observed) holiday will not be paid as holiday pay + Overtime pay if the employee also received the standard holiday pay for that holiday occurrence. For example: If New Year's Day falls on a Sunday, the observed holiday is Monday. An employee who works both Sunday and Monday will not receive holiday pay + Overtime pay for both days. Sunday (New Year's Day) shall be paid at overtime rate, and Monday (Jan 2 observed holiday) shall be paid at holiday pay + overtime rate.

Time off with pay for holidays will be counted as hours worked for the purposes of determining whether overtime pay is owed.

An employee on On-Call assignment when a regular holiday occurs is entitled to another day off with pay. That day must be taken within five working days before or after the regular holiday, but may not be taken during the time he is scheduled to be on On-Call duty.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **306 Workers' Compensation Insurance**

Effective Date: 11/01/2020

Benton Utilities provides a comprehensive Worker's Compensation insurance program as provided by law at no cost to employees. This program covers any injury or illness arising out of employment and sustained in the course of employment that requires medical, surgical, or hospital treatment as defined by Arkansas law. Subject to applicable legal requirements, Worker's Compensation insurance provides benefits after a short waiting period or immediately if the employee is hospitalized.

Employees who sustain work related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. Proper reporting must be followed. Failure to report an on-the-job injury as required may result in a denial of claim for medical expenses and time off from work.

Benton Utilities also provides opportunities for employees to return to work in any capacity within their medical restrictions. Benton Utilities encourages employees to return to work in transitional duty capacity as soon as they are able in order to have the best opportunity for full recovery and a positive outcome.

### **INJURY LEAVE / RETURN TO WORK**

#### **Eligibility**

All Benton Utilities employees are eligible for Workers' Compensation injury leave for up to 6 months, or until the employee's Maximum Medical Improvement (MMI) is reached, whichever occur first. This time away from work, beginning the day after the date of injury, due to an on-the-job injury, including medical appointments, will be charged to Workers' Comp Injury Leave.

#### **Responsibility**

1. Supervisors and/or Employees must report their own on-the-job injuries to Safety and Emergency Management Director or designee (Safety), regardless if medical attention is required or not, no later than the end of the shift on which the injury occurs, unless the injury renders the employee physically or mentally incapable of giving notice. If an employee requires emergency medical treatment outside of Benton Utilities' normal business hours, the employee must file a report on the next regular business day. However, failure to give notice will not bar an employee's claim if: (i) Benton Utilities had knowledge of the injury; or (ii) the employee had no knowledge that the condition or disease arose out of and in the course of employment.
2. Employees must advise Human Resources of all on-the-job injury medical appointments

## **Benton Utilities Personnel Policy and Procedure Manual**

so that Human Resources can provide the employee with designated Benton Utilities paperwork to take to the appointment. Employee shall also report their status after each physician visit.

3. Employees are required to follow doctor-directed medical regimens so that returning to work at full capacity can be expeditious and successful.
4. Supervisors and Human Resources will provide regular communications with injured employees. This may include information such as, but not limited to, Company events, newsletters or important Company announcements.
5. Human Resources will deal with the issues involved in disability management and consult with departments regarding return-to-work issues. Supervisors will not manage the employee's injury or disability.
6. Human Resources consults with supervisors and employees to determine the employee's future employment status once the employee reaches Maximum Medical Improvement (MMI).

### **Return to Work – Transitional Duty**

It is the policy of Benton Utilities to provide meaningful work activity for all employees who temporarily become unable to perform all, or portions, of their regular work assignments due to work-related injury or illness. By providing temporary transitional or modified work activity, injured employees remain an active and vital part of the Company.

Transitional duty is a temporary program and an employee's eligibility will be based on medical documentation and continued recovery, and may include restricted or modified duties. Transitional duties may be in the form of either changed duties within the scope of their current position, or other available duties for which they may be qualified, or through a reduced work-hours schedule.

### **Application**

1. While on Injury Leave, an employee shall be required to be at work in transitional duty, to the extent authorized by the attending doctor.
2. If work is available which meets the limitations/restrictions set forth by the attending practitioner, the employee may be assigned transitional work for a period not to exceed 90 days.
3. An employee who fails or declines to return to a modified job assignment within the scope and limitations of a physician's work restrictions may become ineligible for Workers' Compensation disability benefits and supplemental income.

## **Benton Utilities Personnel Policy and Procedure Manual**

4. An employee's limitation/restrictions are effective 24 hours per day. Any employee not following their restrictions may cause a delay in their healing or may further aggravate their condition. By not following the restrictions, an employee may be subject to disciplinary action, up to and including termination of employment.
5. Transitional duty will be available to employees on a fair and equitable basis, with temporary assignments being based on skill and abilities. Eligibility will be based upon completion of a Return to Work Evaluation form by the employee's attending practitioner.
6. An employee seeking medical care cannot return to work without a medical release or a Work Restrictions Form designating their temporary work restrictions.

### Work Restrictions

Employees are obligated to advise the doctor that Benton Utilities' restricted duty can consist of reduced work hours and/or restrictions that don't require performing all the essential functions of their job.

7. It is incumbent on an employee to describe to the doctor the day-to-day activities they perform while not at work that might translate into work assignments such as the following:
  - Performing some or all essential functions of their regular job with or without accommodation for medical restrictions on a full or part-time basis.
  - Performing some or all of any available work in the Company that can be accomplished within the work restriction authorized by the doctor for part or all of a day.
  - Driving.
  - Data entry or typing.
  - Filing or copy machine operation.
  - Mail delivery.
  - Answering phones.
  - Attending safety meetings or other training sessions.
  - Participating in self-help job-related training.
  - Other restricted duty tasks on a full or part-time basis.

If an employee can perform these or similar tasks off-the-job, but fails to obtain a doctor's

## **Benton Utilities Personnel Policy and Procedure Manual**

release to return to work to perform these functions, Benton Utilities may question the employee's eligibility to continue to use Injury Leave and may consult with the employee and the treating physician to change the employee's work restrictions. Once released to perform any of the above, the employee must report to work to perform any available work within their medical restriction.

8. Once appropriate releases are obtained, Human Resources will meet with the employee and Supervisor to discuss the work restrictions in an attempt to ensure that the employee is only asked to perform work within their restricted duty capacity. It is incumbent on the employee to follow the doctor's work restrictions as well.
9. Human Resources works with employees and doctors to clarify work restrictions and ensures that the employee performs work only within the restricted duty capacity.

### **Maximum Medical Improvement (MMI)**

10. When the employee reaches MMI, Human Resources and the employee's supervisor will consult with the employee to determine the employee's future employment status.
11. If the employee is unable to perform all the essential functions of the job they held at the time of the injury, Benton Utilities will determine if the employee can be reasonably accommodated in their regular job or look for other employment opportunities within Benton Utilities for which the employee is qualified; however, Benton Utilities will not create a job for an employee nor will an employee be placed in a job for which he/she is not qualified. In accordance with Benton Utilities' Disability Accommodation policy, Benton Utilities will reasonably accommodate a qualified individual with a disability, including an employee returning from Injury Leave, unless doing so would cause a direct threat to these individuals or others in the workplace or impose an undue hardship on Benton Utilities' business operations.
12. As the end of six months of Injury Leave or 90 calendar days of transitional duty nears, or when MMI is reached (whichever occurs first), an employee who has been unable to return-to-work, or to return to their regular job in a full capacity (being able to perform the essential functions of the job, with or without reasonable accommodation), will be informed of all options available to them, including the opportunity to apply for different jobs at Benton Utilities for which they are qualified, or to consider early or disability retirement or resignation. If none of these options work for the employee, it is possible that Benton Utilities will have to end the employee's employment with Benton Utilities.
13. Alternatively, if there is a reasonable expectation that the employee will be able to return to their regular job, as noted above, within a reasonable period of time after Injury Leave or transitional duty expires, based on their doctor's medical opinion of the employee's recovery, the employee may be allowed to continue in a transitional duty capacity. In such a case, the employee will be temporarily reclassified, and will be paid for the value of the job they are performing during this brief interim period, up to a maximum of an additional 90 calendar days. If the expected recovery doesn't occur, then Human Resources and Safety will again go through all the options available to the employee. If none of these options work for the employee and Benton Utilities, it is possible that



## **Benton Utilities Personnel Policy and Procedure Manual**

Benton Utilities will have to terminate employment.

In the case where the employee's service ends, whether by termination, resignation or retirement, the employee will be notified of all internal job openings for one year.

### FMLA

14. Family Medical Leave Act (FMLA) will run concurrent with Injury Leave to provide the employee the required 12 weeks of FMLA Leave. See Policy 601– Family and Medical Leave Act Leave.

### Costs

15. All costs incurred for medical treatment, prescriptions, or any related therapies are to be turned in to the Human Resources Department for submission to the Workers' Compensation insurer.

### Payments

16. Benton Utilities' Workers' Compensation insurer administers the Worker's Compensation benefits, manages the medical aspects of the injury and pays the bills related to an on-the-job injury.

### Failure to Comply

17. Employee's failure to comply with any of the provisions of this policy may result in immediate cessation of supplemental income.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **308 Time Off to Vote**

Effective Date: 11/01/2020

Benton Utilities encourages employees to fulfill their civic responsibilities by participating in elections. Employees are encouraged to take advantage of early voting periods, which have extended voting hours. However, when it is not possible to find time to vote either before or after their regular work schedule, Benton Utilities will grant time off to vote under this policy.

Employees should request time off to vote from their supervisor at least two working days prior to the Election Day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **309 Funeral Leave**

Effective Date: 11/01/2020

Benton Utilities employees will be provided paid bereavement leave in the event of the death of an immediate family member. Employees who wish to take funeral leave should notify their supervisor immediately.

Up to 3 days of paid bereavement leave will be provided to eligible employees in the following classification(s):

- \* Regular full-time employees
- \* Introductory full-time employees

These three days are not required to be consecutive days, and do not include weekends and holidays.

In the event the death of more than one qualifying family member occurs on the same day, the 3 days of paid bereavement leave will run concurrently.

Funeral leave pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, or bonuses.

Benton Utilities reserves the right to grant or deny requests for funeral leave based on business needs and staffing requirements of Benton Utilities. Employees may, with their supervisors' approval, use any available Vacation for additional time off as necessary.

Benton Utilities defines "immediate family" as the employee's spouse, parent, child, grandparent, grandchild or sibling; the employee's spouse's parent, child, grandparent, grandchild, or sibling; the employee's child's spouse; or relative who lives in the employee's home.

In administering this policy, Benton Utilities may require verification of death.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **311 Jury Duty**

Effective Date: 11/01/2020

Benton Utilities encourages employees to fulfill their civic responsibilities by serving jury duty when required. Any employee summoned for jury duty is excused from work and will receive full pay for all periods of time during which the employee is required to serve.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Employee classifications that qualify for paid jury duty leave are:

- \* Regular full-time employees
- \* Introductory employees

Employees must provide a copy of the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits. If the employee is excused from Court during the work day, the employee is to report to work immediately. The supervisor will determine if the employee should commence regular work or be excused for the remainder of the work day.

Either Benton Utilities or the employee may request an excuse from jury duty if, in Benton Utilities' judgment, the employee's absence would create serious operational difficulties.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **312 Witness Duty**

Effective Date: 11/01/2020

Benton Utilities encourages employees to appear in court for witness duty when subpoenaed to do so.

If employees have been subpoenaed or otherwise requested to testify as witnesses by Benton Utilities, they will receive pay for the entire period of witness duty.

Employees will be granted unpaid time off to appear in court as a witness when requested by a party other than Benton Utilities. Employees are free to use any available Vacation time to receive compensation for the period of this absence.

The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **313 Benefits Continuation (COBRA)**

Effective Date: 11/01/2020

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

Under COBRA, the employee or beneficiary pays the full cost of coverage at Benton Utilities' group rates plus an administration fee. Benton Utilities provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Benton Utilities' health insurance plan. The notice contains important information about the employee's rights and obligations.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **315 Time Off**

Effective Date: 11/01/2020

### **Holiday Pay**

Benton Utilities recognizes twelve paid holidays each year:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day
- Employee's Birthday

An official holiday is on in which the business offices of the Utilities are closed. If a holiday occurs on a Saturday, it will be observed the previous workday. If it occurs on Sunday, it will be observed the next workday. To receive Holiday pay, the employee must be in a paid status on the workday preceding the Holiday and the workday following the Holiday. Employees in 24-hour operations who are required to work on Holidays will receive overtime pay (1 ½ regular rate) for the hours worked in addition to Holiday Pay.

Temporary/Part-time employees are not eligible for holiday pay.

### **Vacation**

All full-time employees accrue and are eligible for paid vacation benefits. Employees are eligible to start taking paid vacation as soon as they earn it. All leave must have prior approval by the department manager or his/her designee. Temporary and part-time employees are not eligible for vacation benefits. Employees are encouraged to submit their vacation requests at least two weeks in advance. However, each department head or manager will decide whether his/her department's operation can continue effectively with less notice, and will determine the advance notice needed in that department. Employees may only use vacation time that they have actually accrued.

Maximum Accumulation: Employees will not be allowed to carry over more than the equivalent of three weeks' vacation based on the employee shift. Any loss of unused hours in excess of the maximum above will occur on the pay period following January 1<sup>st</sup> of each year in order to allow use of time through the holiday season. Vacation hours are printed on bi-weekly paystubs and it is the employee's responsibility to schedule leave in order to prevent loss of time.

# Benton Utilities Personnel Policy and Procedure Manual

Accrual: The accrued vacation for each pay period is available to be taken during or after the pay period in which it was accrued. The accrual rate is as follows:

From date of hire through tenth anniversary date
<u>3 Weeks</u> 4.62 hours per pay period
From beginning of 11 <sup>th</sup> year through 19 <sup>th</sup> year
<u>4 Weeks</u> 6.15 hours per pay period
From beginning of 20 <sup>th</sup> year until end of employment
<u>5 Weeks</u> 7.69 hours per pay period

A current employee who enjoys an accrual rate higher than that listed in the above table will retain the higher rate until his/her length of service would provide an increased accrual rate.

If an employee is on vacation and becomes sick or injured and would qualify for sick leave, they can change their status from vacation to sick leave by presenting a doctor's letter indicating the sickness or injury. This letter needs to be presented to the department manager prior to the time sheet being completed and submitted to the Human Resource Department, if possible.

To schedule vacation time, employees should submit a completed leave form to the supervisor at least two weeks before the requested leave. Employees must ensure that they have enough accrued leave available to cover the dates requested. Requests will be approved based on a number of factors, including department operating and staffing requirements. The supervisor should return the leave request to the employee within three business days of the date it is submitted indicating that the request has been approved or denied. If the request for vacation leave is denied, the supervisor should provide an appropriate reason on the form returned to the employee.

Vacation will be paid at the employee's base rate at the time the leave is taken. If a holiday falls during the employee's vacation, the day will be charged to holiday pay rather than to vacation pay.

Leave taken beyond an employee's available vacation balance may be unpaid unless otherwise required under state or federal law.

If employment is terminated, accrued unused vacation leave earned through the last day of active employment will be paid at the employee's base rate of pay at termination. In the event of the employee's death, earned unused vacation time will be paid to the employee's estate or designated beneficiary.

## **Sick Leave**

Benton Utilities recognizes that inability to work because of illness or injury may cause economic hardships. For this reason, Benton Utilities provides paid sick leave to full time employees, as follows:



## **Benton Utilities Personnel Policy and Procedure Manual**

6.15 hours per pay period
---------------------------

Employees accrue sick leave from their date of hire but will not be eligible to use any leave until after 3 months of service with the Utilities. Time off may be charged against accumulated sick leave only for such days the employee is scheduled to work. An employee may be eligible for sick leave for the following reasons:

- 1) Personal illness or physical incapacity.
- 2) Quarantine of an employee by a physician or health officer.
- 3) Illness in the immediate family (parents, spouse, children, brothers and/or sisters, if they are the closest living relatives) which would require the employee to take care of the family member(s).
- 4) Medical, dental and optical visits.

An employee who is unable to report for work due to one of the previously listed leave reasons shall report his/her absence to the employee's department manager or his/her designee via telephone call. Employees failing to contact their department manager within one (1) hour from the time the employee is expected to report to work may result in loss of paid leave.

Employees will not be paid for more than 56 hours of sick leave per year that is not substantiated by a doctor's excuse.

Sick leave is deducted in 15- minute increments. An employee who used all of his or her accrued sick leave may substitute vacation leave.

When management has reason to, management may require an attending physician's statement on the first day of absence. If the employee is unable to furnish verification, there may be a loss of paid leave available and misuse may result in disciplinary action. Sick leave taken immediately before or after a Holiday or vacation will require a Physician's statement in all cases.

An employee may use earned sick leave while receiving workers' compensation benefits only to the extent that the leave augments the employee's worker's compensation payment to an amount equal to that employee's regular pay without overtime.

Upon separation from Benton Utilities by either being eligible for retirement or death, employees will be paid for unused sick leave balance to a maximum of 720 hours in accordance with their vesting percentage. Employee is not required to start drawing retirement to receive this compensation.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **316 Health, Dental and Vision Insurance**

Effective Date: 11/01/2020

Benton Utilities' health, dental and vision insurance plans provide employees and their dependents access to medical, dental and vision insurance benefits. Employees who regularly work 30 hours or more in a workweek are eligible to participate in these insurance plans.

Eligible employees may participate in these insurance plans subject to all terms and conditions of the agreement between Benton Utilities and the insurance carrier(s).

A change in employment classification that would result in loss of eligibility to participate in the plans may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) Policy for more information.

Details of the health, dental and vision insurance plans and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact the Human Resources Department for more information about insurance benefits.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **317 Life Insurance**

Effective Date: 11/01/2020

Life insurance offers you and your family important financial protection. Benton Utilities provides eligible employees the opportunity to purchase a basic life insurance plan for eligible employees. Additional optional life insurance coverage for employees may also be purchased. Coverage is not available for dependents of an employee.

Benton Utilities pays 75% of the monthly premium for both basic and optional insurance purchased by the employee.

Accidental Death and Dismemberment (AD&D) insurance provides protection in cases of serious injury or death resulting from an accident. AD&D insurance coverage is provided as part of the basic and optional life insurance plan.

Employees in the following employment classifications are eligible to participate in the life insurance plan:

### **Regular full-time employees**

Employees become first eligible to enroll in group Life and AD&D insurance upon completion of six months of full-time employment. If employee enrolls at initial eligibility period, coverage is guaranteed, with no medical exam. If an employee waives coverage at first eligible period, the employee may apply for coverage at a later date; however, employee must answer medical questionnaire, possibly require medical exam and may be denied coverage.

Eligible employees may participate in the life insurance plan subject to all terms and conditions of the agreement between Benton Utilities and the insurance carrier.

Details of the life insurance plan including benefit amounts are described in the Summary Plan Description provided to eligible employees. Contact the Human Resources Department for more information about life insurance benefits

# Benton Utilities Personnel Policy and Procedure Manual

## 319 Long-Term Disability

Effective Date: 11/01/2020

Benton Utilities provides a long-term disability (LTD) benefits plan to help eligible employees cope with an illness or injury that results in a long-term absence from employment. LTD is designed to ensure a continuing income for employees who are disabled and unable to work.

Employees in the following employment classifications are eligible to participate in the LTD plan:

- \* Regular full-time employees who have completed one year of continuous employment with Benton Utilities

Eligible employees may participate in the LTD plan subject to all terms and conditions of the agreement between Benton Utilities and the insurance carrier. Eligible employees may begin LTD coverage only after completing 365 calendar days of service.

The cost of the plan is paid in full by Benton Utilities for and on behalf of all of its qualified employees.

### Continuation of Benefits

- **Group Health, Dental and Vision Insurance** - When the employee begins receiving long-term disability benefit payments, employee will no longer be eligible for continuation of group health, dental and/or vision insurance coverage. However, employee may invoke their rights under current applicable law (COBRA) to elect eligible coverage continuance.
- **Group Life Insurance** - When the employee begins receiving long-term disability benefit payments, employee may maintain basic and supplemental life insurance coverage under the group contract until employee is granted waiver of premium. Benton Utilities will pay 100% of the premium until the premium waiver is granted. If the waiver of premium is denied, the employee will no longer be eligible for continuation of group life insurance, and may invoke their rights under current applicable law.
- **Continuation of Retirement Plan Benefits** - When the employee begins receiving long-term disability benefit payments, active participation in the group retirement plan ends.
- **457 Supplemental Retirement Plan Benefits** - When the employee begins receiving long-term disability benefit payments, active participation in the Company's 457 deferred compensation plan ends, and employee will be ineligible for salary deferrals and/or matching contributions.
- **Section 125 Cafeteria Plan Deductions** - When the employee begins receiving long-term disability benefit payments, active participation in the Company's Section 125 Cafeteria Plan ends. Employee may invoke their rights under current applicable law.

Details of the LTD benefits plan including benefit amounts, and limitations and restrictions are described in the Summary Plan Description provided to eligible employees. Contact the Human Resources Department for more information about LTD benefit.

# Benton Utilities Personnel Policy and Procedure Manual

## 320 Retirement Plan

Effective Date: 11/01/2020

### RETIREMENT BENEFITS

Benton Utilities currently provides retirement benefits under a defined benefit plan fully funded by Benton Utilities for all employees hired on or before December 31, 2011. Benton Utilities provides retirement benefits under a defined benefit plan partially funded by Benton Utilities for all employees hired after December 31, 2011.

As a condition of employment with the Employer, each Employee included in the class of Employees eligible to participate hired after December 31, 2011, must agree to have his/her Compensation reduced on a payroll deduction basis as set forth in this section.

The payroll deduction shall be 2% of compensation until the January 1 following the employee's date of employment and 4% thereafter. Once a participant has completed 30 years of service, employee payroll deductions shall cease at the end of the calendar year.

Rehired employees begin benefits just as any other new employee with the exception of former employees vested in retirement. Vested Retirement benefits will resume, when an employee is rehired.

### Retirement Vesting

<u>Years of Service</u>	<u>Vested %</u>
Less than 5	0
5	25
6	30
7	35
8	40
9	45
10	50
11	60
12	70
13	80
14	90
15 or more	100

All earned ["vested"] benefits under this plan are protected by Federal Law [ERISA]. Continuation of benefits to future retirees is evaluated annually and subject to the financial resources available to Benton Utilities. The plan may be changed or discontinued at any time. This plan is for continuation of salary only and does not include the cost of group health insurance, although, Benton Utilities currently allows retirees to purchase group medical benefits as a member of the employee group at the same cost as charged to Benton Utilities.

At the current time retirees not eligible for benefits under Social Security, Medicare, or Medicaid may continue coverage under the group plan at the employee's expense. Employees may be

## **Benton Utilities Personnel Policy and Procedure Manual**

required to provide proof of denial from these programs. Additional Information is available upon request from Human Resources.

## **Benton Utilities Personnel Policy and Procedure Manual**

### **326 Flexible Spending Account (FSA) Cafeteria Plan**

Effective Date: 11/01/2020

Benton Utilities provides a Flexible Spending Account (FSA) program that allows employees to have pre-tax dollars deducted from their salaries to pay for eligible out-of-pocket expenses. The pre-tax contributions made to the FSA can be used to pay for predictable non-reimbursed health care expenses and dependent care expenses during the plan year. Through the FSA program, an employee can reduce his taxable income without reducing his real income, so that the employee can keep more of the money he earns.

Employees who regularly work 30 hours or more in a workweek are eligible to participate in the Flexible Spending Account program.

Participation in the Health Care and/or Dependent Care FSA is optional and determined on an annual basis for the plan year. An employee must enroll for each plan year. The employee determines how much to contribute to the account, up to a specified maximum, based on anticipated expenses during the plan year. The maximum contribution an employee may make for the Health Care FSA will adjust annually to the maximum allowed by the IRS. The maximum contribution for the Dependent Care FSA is \$5,000 per year, this will be increased as allowed by IRS regulations. Contributions are directed to the account through salary reduction on a pre-tax basis. This tax-free money is then available to the employee for reimbursement of out-of-pocket expenses. Since the amounts that remain in the account at the end of the plan year are forfeited, the employee should take care not to over-fund the account.

Details of the Flexible Spending Account program are described in the Summary Plan Description (SPD). Contact the Human Resources Department for more information on the Flexible Spending Account program and to obtain enrollment and reimbursement forms and worksheets with examples of reimbursable and non-reimbursable expenses.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **327 Health Savings Account**

Effective Date: 11/01/2020

Benton Utilities provides a Health Savings Account (HSA) program, which is a tax-advantaged medical savings account available to taxpayers in the United States who enrolled in a high-deductible health plan (HDHP). The funds contributed to an account are not subject to federal income tax at the time of deposit. Participating employees can use HSA funds for any expense accepted by the IRS as a legitimate medical expense, such as doctor visits, therapy, hospitalization, prescriptions, vision care, dental, etc. Through the HSA program, an employee can reduce his taxable income without reducing his real income, so that the employee can keep more of the money that they earn.

Employees who work 30 hours or more in a workweek are eligible to participate in the Health Savings Account program if the employee is enrolled in a high deductible health plan (HDHP), until the employee elects any part of Medicare or Tri Care.

Participation in the HSA is optional and determined on an annual basis for the plan year. An employee must enroll for each plan year. The employee determines how much to contribute to the account, up to a specified maximum determined annually by the IRS. Contributions are directed to the account through salary reduction on a pre-tax basis. This tax-free money is then linked to a debit card, making funds available to the employee for payment of out-of-pocket expenses. Any unused funds will roll over from year to year. You do not lose any funds if they are not used by the end of the year.

Details of the Health Savings Account program are described in the Benefit Book. Contact the Human Resources Department for more information on the Health Savings Account program.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **380 Service Awards**

Effective Date: 11/01/2020

Benton Utilities recognizes long and faithful service and the value of skill, knowledge and judgment gained through years of experience. The Company may present service awards to recognize faithful and uninterrupted service upon the completion of the service anniversaries.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **381 Uniforms**

Effective Date: 11/01/2020

Certain jobs of Benton Utilities require the employee to wear a Company-provided uniform as a condition of their employment; and in certain other jobs which the Company does not specifically require the employee to wear a uniform, the employee may opt to wear a Company-provided uniform. The employee is responsible for taking reasonable care of these garments, which remain the property of the Company.

All employees required to wear a uniform provided by Benton Utilities will do so according to the following minimum guidelines:

1. Uniforms will be worn on the job. Emergency situations, when an employee might be called out after hours and be unable due to time or other circumstances to wear his/her uniform, will be the exception.
2. Uniforms will only be worn while on the job, On-Call, while traveling to and from work, and other times during the course of a normal work day. Authorization by the supervisors for use at other times, including occasions where the Company is being officially represented by the employee, may be granted.
3. Employees, who are required to wear uniforms, will not be allowed to work unless they are properly dressed. An employee, who reports for work without the proper uniform, will be sent home. Repeat occurrences are subject to established disciplinary procedures, which may include probation, suspension and termination, even for the first offense.
4. Uniforms will not be defaced by the employee.
5. Uniforms will not be altered by the employee without permission of Company.
6. Fire protective clothing will be worn at all times by an employee who works in an electrical hazard area, as directed by Safety Department.
7. Uniforms and all insignia on them which represent the Company will be returned at 1) the end of employment with Benton Utilities or 2) transfer to another job position where a uniform is not required. If not returned, the value of the garments may be deducted from the employee's paycheck.
8. Appropriate personal footwear shall be worn as required by safety regulations or department manager requirements.
9. If a cap is worn with a Company uniform, it must be the cap provided by Benton Utilities or a Benton Utilities branded item purchased by employee.
10. All Company-issued uniforms are to be returned upon termination of employment. Company issued uniforms that become damaged or worn beyond usefulness are to be returned to the warehouse for appropriate disposal.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **Employee-Purchased Apparel**

Benton Utilities employees may be given the opportunity to purchase apparel and other items bearing the Benton Utilities logo. These items do not replace uniform shirts, but employees not required to wear uniforms may wear the employee-purchased shirts during business hours.

Benton Utilities will make reasonable accommodations to the dress code policy in accordance federal, state and local law. Reasonable accommodations to the uniform policy will be considered on a case-by-case basis.

Employee-purchased apparel may also be forwarded to the warehouse for appropriate disposal.

## **Benton Utilities Image**

When an employee is wearing the Benton Utilities brand, he or she is expected to behave appropriately and in ways consistent with Benton Utilities values and policies. The employee should not engage in any actions that may harm or tarnish the image, reputation and/or goodwill of Benton Utilities and/or any of its employees while wearing branded apparel or uniforms in public.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **382 Professional Training and Development**

Effective Date: 11/01/2020

### **I. OBJECTIVE**

Benton Utilities is fully committed to ensuring that all employees have the relevant knowledge, skills and expertise to safely perform their work to consistently high standards and to improve potential for future opportunities. We recognize that the training and development of employees is fundamental to the improvement of our operational performance and the achievement of our strategy and goals.

Benton Utilities strives to make training and development an integral part of our operations and to follow a continuous process of appraisal, training and development.

#### Scope

This policy applies to all employees of Benton Utilities, irrespective of their job title, function, or location.

In accordance with Benton Utilities' Equal Employment Opportunity Policy, all employees are treated equally in the provision of training and development opportunities and are provided with equal access to training and development opportunities relevant to their needs.

#### Responsibilities

Department managers are responsible for:

- identifying and considering training and development as an integral part of the business planning process
- ensuring that the training and development needs of all staff are assessed and provided for in accordance with this policy
- identifying appropriate and cost-effective training and development solutions
- evaluating the efficiency and effectiveness of training and development
- monitoring the efficiency and effectiveness of this policy

All employees are responsible for:

- identifying their own training and development needs and bringing these to the attention of their manager
- undertaking training and development activities which will enable them to perform their work efficiently and effectively managing their own learning and professional development.

Benton Utilities recognizes that for development purposes, employees may need to attend training seminars or workshops conducted off-site or join professional associations that will enable them to remain aware of best practices in their respective fields. Please note that this policy is subject to annual Company budget established for training and development.

### **II. POLICY**

In support of this program, we offer a training and professional development benefits to full-time employees. The benefit can be used for costs associated with:

## **Benton Utilities Personnel Policy and Procedure Manual**

- Professional exams and exam preparation courses
- Certificate programs and credentials
- Courses offered by accredited institutions, including e-learning
- Courses offered by industry-specific providers (i.e. American Public Power Association, Missouri Public Utility Alliance, National Cable Television Institute, Society of Cable Telecommunications Engineers, etc.)
- Workshops, seminars and conferences
- Membership in professional organizations
- Magazine subscriptions

Employees may be permitted to attend off-site seminars, conferences or workshops that will be paid for by the Company. The training event to be attended must have a direct relationship to the job the employee performs.

Employees may be permitted to join professional associations, membership fees for which will be paid for by the Company. The association selected must have a direct relationship to the job the employee performs.

Benton Utilities reserves the right to determine which training and development functions and association memberships are in the best interests of the Company, its future planning and direction. The employee's department manager will review all requests for external training and memberships, determine priorities, and approve or disapprove requests based on relevance and the Company's annual budget established for these programs.

After concluding training, the employee must submit a certificate of completion or similar document to the Human Resources Department to be filed in the employee's personnel file.

### **III. ADDITIONAL INFORMATION**

Travel expenses may be permitted if the training is not available locally. See 512 Business Travel Expenses policy for approval and reimbursement procedure.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **401 Timekeeping**

Effective Date: 11/01/2020

Accurately recording time worked is the responsibility of every employee. Federal and state laws require Benton Utilities to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Overtime work must always be approved before it is performed. (See Overtime - Policy 507)

Altering, falsifying, tampering with time records is prohibited and may result in disciplinary action, up to and including termination of employment, even for a first offense.

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and approve the time record before submitting it for payroll processing. Any errors in the time record should be reported immediately to a supervisor, who will attempt to correct legitimate errors.

### **OFF THE CLOCK WORK**

- All non-exempt employees are required to record all hours worked.
- No one at Benton Utilities has the right to allow or ask any non-exempt employee to work off-the-clock, or without pay beyond normal, recorded working hours.

It is the policy of Benton Utilities to pay nonexempt employees for all hours worked, and at least one-and-one-half times employees' regular rate of pay for each hour worked in excess of forty (40) hours in a workweek, in accordance with applicable federal and state law. (See 212 Salary Administration).

# **Benton Utilities Personnel Policy and Procedure Manual**

## **403 Paydays**

Effective Date: 11/01/2020

All employees are paid bi-weekly on every other Friday following the end of a pay period. Each paycheck will include earnings for all work performed through the end of the previous two-workweek payroll period. The workweek begins at 7 a.m. on the first Monday and terminates at the end of the shift which begins on the last Sunday of the pay period.

In the event that a regularly scheduled payday falls on a holiday, employees will receive pay on the nearest regular work day.

### **PAY METHOD:**

Benton Utilities requires Direct Deposit to an account(s) given to the Human Resources/Payroll Department by the employee. A detailed statement of wages, showing all deductions authorized by the employee and approved by the Company and those deductions required by Federal and state law and regulation, will be provided to the employee.

If there is an error in any employee's pay, the employee should bring the matter to the attention of the Human Resources/Payroll Department immediately so Benton Utilities can resolve the issue in a timely manner

# Benton Utilities Personnel Policy and Procedure Manual

## 405 Employment Termination

Effective Date: 11/01/2020

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- \* Resignation - voluntary employment termination initiated by an employee.
- \* Discharge - involuntary employment termination initiated by the organization.
- \* Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons.
- \* Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.

The above list is not all inclusive.

Since employment with Benton Utilities is based on mutual consent, both the employee and Benton Utilities have the right to terminate employment at will, with or without cause, at any time.

Should any employee decide to leave Benton Utilities, we ask that they provide their Supervisor with at least 2 weeks advance notice of departure. Failure to do so may impact a former employee's chances for rehire.

Benton Utilities will generally schedule exit interviews at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts to Benton Utilities, or return of Benton Utilities-owned property. Suggestions, complaints, and questions can also be discussed.

All Benton Utilities property including, but not limited to, keys, security cards, laptop computers, iPads, cellular phones, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of Benton Utilities' Confidential Information upon separation. To the extent permitted by law, employees will be required to repay Benton Utilities (through payroll deduction, if lawful) for any lost or damaged Benton Utilities property. As noted previously, all employees are employed at-will, and nothing in this manual change that status.

Non-exempt employee will be paid for all hours worked according to their hourly wage rate in effect at the time of employment termination. Exempt employees will be paid according to their weekly (40-hour work week) salary in effect at the time of employment termination.

The following conditions may apply to termination pay:

### 1. Voluntary Termination

- a. Final pay is made to the terminating employee on the regular pay day schedule.
- b. Employees will be paid for unused Vacation that has been earned through the last day of work. A negative balance in the Vacation account will be credited against the earnings on



## **Benton Utilities Personnel Policy and Procedure Manual**

the final pay check(s).

c. Accumulated but unused sick time is unpaid.

### **2. Involuntary Termination**

a. Final pay is made to the terminating employee within seven days of separation.

b. Employees will be paid for unused Vacation that has been earned through the last day of work, unless termination is the result of misappropriation or destruction of Company funds or property. A negative balance in the Vacation account will be credited against the earnings on the final pay check(s).

c. Accumulated but unused sick time is unpaid.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **407 Severance Pay**

Effective Date: 11/01/2020

Benton Utilities may provide severance pay to eligible employees whose employment is terminated for reasons that are not prejudicial to Benton Utilities, as determined by Benton Utilities in its sole discretion. Severance pay will be provided to the following eligible employee classifications:

- \* Regular full-time employees
- \* Introductory employees

Specifically excluded from benefits under this provision are employees who: were hired as temporary employees for a specified period of time; were offered but refused to accept another suitable position with the organization; were provided the opportunity to be retained for any length of time by a successor employer.

All severance pay is subject to approval of the General Manager/Chief Executive Officer.

**Benton Utilities  
Personnel Policy and Procedure Manual**

**408 Pay Advances**

Effective Date: 11/01/2020

Benton Utilities does not permit pay advances on unearned wages to employees.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **409 Administrative Pay Corrections**

Effective Date: 11/01/2020

Benton Utilities takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the Human Resources/Payroll Department and the employee's supervisor so that corrections, if necessary, can be made as quickly as possible.

It is the policy of Benton Utilities to pay employees all wages to which the employee is entitled under the FLSA and applicable state law. (See 212 Salary Administration).

# **Benton Utilities Personnel Policy and Procedure Manual**

## **410 Pay Deductions**

Effective Date: 11/01/2020

Federal and state law requires that Benton Utilities make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes and Medicare taxes. Benton Utilities also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." Benton Utilities matches the amount of Social Security taxes paid by each employee.

Benton Utilities offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

Pay setoffs are pay deductions taken by Benton Utilities, usually to help pay off a debt or obligation to Benton Utilities or others.

Benton Utilities only make deductions from employees' pay in accordance with federal, state and local law.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **501 Safety**

Effective Date: 11/01/2020

To assist in providing a safe and healthy work environment for employees, customers, and visitors, Benton Utilities has established a workplace safety program. This program is a core value and top priority for Benton Utilities. The General Manager/CEO or designee has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the diligence and personal commitment of all employees.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on Benton Utilities' premises, or in a product, facility, piece of equipment, process or business practice for which Benton Utilities is responsible should be brought to the attention of management immediately.

Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the General Manager/CEO or the appropriate supervisor. If the injury is serious, supervisors or other appropriate personnel should initiate a 911 call. If the injury is not of a serious nature, supervisor should initiate a call to our third-party triage service to determine appropriate medical treatment. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **502 Work Schedules**

Effective Date: 11/01/2020

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

## **Benton Utilities Personnel Policy and Procedure Manual**

### **504 Use of Business Phone and Mail Systems**

Effective Date: 11/01/2020

The business telephone system is one of the vital communication tools employed by the Company. Each telephone is strategically placed at locations required for the day-to-day conduct of Company business.

Personal use of Company business telephones by employees is restricted to urgent personal need or emergency situations. To the extent permitted by applicable federal, state and local law, employees may be required to reimburse Benton Utilities for any charges resulting from their personal use of the telephone.

The use of Benton Utilities-paid postage for personal correspondence is not permitted.



# Benton Utilities Personnel Policy and Procedure Manual

## 505 Tobacco Usage

Effective Date: 011/01/2020

Benton Utilities is committed to providing a safe, healthy and productive work environment for its employees. Exposure to tobacco and tobacco products is harmful to both users and those exposed secondhand. In addition, Arkansas Clean Indoor Act of 2006, as amended, prohibits smoking and using electronic cigarettes (e-cigarettes) in public areas, buildings, facilities, and places of employment.

Benton Utilities prohibits use of all smoking, including e-cigarettes or vapor devices, by employees, contractors, and visitors, other than designated “smoking” areas, at all times.

This policy applies to:

- All enclosed work areas, including private offices, conference or meeting rooms, elevators, hallways, lounges, restrooms, stairs, etc.
- All vehicles owned or leased by Benton Utilities.
- All outdoor Company worksites
- While performing work on a customer-owned worksite

Smoking and vaping is permitted only in the following designated outdoor smoking areas.

Definitions:

1. **Smoking:** inhaling, exhaling, burning or carrying any:
  - Lighted tobacco product, including cigarettes, cigars, and pipe tobacco; and
  - Other lighted combustible plant material.
2. **E-Cigarette** – an electronic oral device that provides a vapor of nicotine or another substance that, when used or inhaled, simulates smoking.

Employees may not smoke or use e-cigarettes or smokeless tobacco in customer-facing areas, such as sidewalks, customer property or parking lots. Employees are allowed to smoke or use e-cigarettes in their personal vehicles, but the smoke and vapor must be completely contained within the vehicle. It is not acceptable that either smoking or non-smoking employees are subjected to smoke as they walk to reach their vehicle.

No additional breaks beyond those typically allowed may be taken for the purpose of using tobacco or similar products.

Finally, smokers and users of **all** tobacco products, including smokeless tobacco, must dispose of the remains in the proper containers. This helps to keep a neat, clean and sanitary environment for all employees, visitors and customers.

**The success of this policy will depend on the thoughtfulness, consideration, and cooperation of both smokers and nonsmokers.**

## **Benton Utilities Personnel Policy and Procedure Manual**

The decision to allow use of smokeless tobacco will be at the discretion of management, and subject to change.

Violations of the smoke-free workplace policy by employees will be handled in accordance with written personnel policies. Penalties for violations may include verbal warnings, written reprimands or termination of employment.

Visitors violating this smoke-free workplace policy will be asked to refrain from smoking while on workplace property or to leave workplace property.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **506 Meal Periods**

Effective Date: 011/01/2020

Full-time employees will be provided one meal period of at least 30 minutes, uninterrupted, each workday. Supervisors will schedule meal periods to accommodate operating requirements. Non-exempt employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time. Meals may be eaten in the workspace as approved by supervisor, and, if applicable, out of the view of visitors or guests if the employee works in a public setting.

On occasion, supervisors may need to ask employees to work through a meal break to complete a task or project on time. Non-exempt employees will be paid for time spent working during their regularly scheduled meal period in accordance with applicable federal, state and local law.

# Benton Utilities

## Personnel Policy and Procedure Manual

### 507 Overtime

Effective Date: 011/01/2020

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled and required to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour laws.

For all non-exempt employees:

1. All overtime work must receive the employee's immediate supervisor's prior authorization.
2. No compensatory time off is allowed in lieu of overtime pay.
3. Regular Overtime - If a non-exempt employee is required to work more than 40 hours in his/her regularly scheduled work week, the employee will be paid for all time worked over 40 hours at the rate of one and one-half times his/her base hourly pay rate, unless an employee is scheduled and being compensated for being on On-Call.
4. Holiday Overtime - If a non-exempt employee is required to work on his/her regularly scheduled holiday, the employee will be paid his/her regular holiday pay not to exceed 8 hours. The employee will also be paid at the rate of one and one half time his/her regular rate of pay for all time actually worked that day, unless an employee is scheduled and being compensated for being on On-Call.
5. Hours worked - For the purpose of calculating the "hours worked" in a work week, the following will apply:
  - a. Other paid leave time, including Vacation, funerals, or jury duty, or mandatory rest period occurring during work hours (as stated below), may be applied toward the 40-hour work week.
6. Emergency Calls - Regardless of the "hours worked" in a 40-hour work week, unless an employee is scheduled and being compensated for being on On-Call, all hours worked for emergency calls (trouble calls) outside an employee's scheduled work day **will** count as overtime hours. All such emergency classification of overtime must be approved by an executive staff member.
  - a. No employee should work more than a total of 16 hours of time on duty, immediately preceded by 8 or more consecutive hours off duty time, except under emergency conditions, as determined by the General Manager/CEO or his designee. After 16 work hours or more, a mandatory 8 hours rest period shall follow. If the rest period overlaps normal scheduled work hours, the employee shall be paid regular time for the scheduled work hours missed due to the rest period, as determined by an executive staff member.

## **Benton Utilities Personnel Policy and Procedure Manual**

- b. Duty begins when the employee reports to work and ends when the worker is released from work and includes breaks, interim periods, or time spent engaged in any service for the employer.

**7. MUTUAL AID AND ASSISTANCE HOURS WORKED** – Before, during or after an emergency event, Benton Utilities may be called upon to provide Mutual Aid and Assistance to areas outside of Benton. In the event Benton Utilities agrees to respond by providing personnel to assist, the following will apply:

Employees responding to mutual aid request will be compensated as follows:

- a. **In State of Arkansas with no out of state Mutual Aid:** Employee shall be paid at rate of one and one half (1 ½) times employee's regular hourly rate of pay, including travel time (portal to portal), for a minimum of twelve (12) hours, with a maximum hours as allowed per the American Public Power Association, Safety Manual, 16<sup>th</sup> Edition (or latest revision).
- b. **When out of state Mutual Aid is rendered:** Employee shall be paid at two (2) times employee's regular hourly rate of pay, including travel time (portal to portal), for a minimum of sixteen (16) hours each day, with a maximum hours as allowed per the American Public Power Association, Safety Manual, 16<sup>th</sup> Edition (or latest revision).

Failure to work scheduled overtime or overtime worked without prior authorization from the supervisor may result in disciplinary action, up to and including possible termination of employment.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **508 Use of Facilities, Equipment, Vehicles and Property**

Effective Date: 11/01/2020

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Employees are to notify supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, in need of repair, or is missing. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others.

Employees are prohibited from any unauthorized use of Benton Utilities' intellectual property, such as audio and video tapes, print materials and software.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic violations, can result in disciplinary action, up to and including termination of employment.

Benton Utilities is not responsible for any damage to employees' personal belongings unless the employee's supervisor provided advance approval for the employee to bring the personal property to work.

### **VEHICLE USAGE**

The purpose of this policy is to outline employee eligibility and criteria for business need transportation and identifies appropriate modes of transportation.

Five transportation options are available for eligible employees who meet the required criteria:

1. Monthly vehicle allowance, which will be reviewed annually by CEO and may be adjusted following appropriate economic indices, however; not to exceed 5% increase or decrease without Board approval;
2. Assigned vehicle with take-home privileges;
3. Assigned vehicle without take-home privileges;
4. Pool vehicles; and
5. Occasional personal vehicle use with standard IRS mileage rate reimbursement.
6. All vehicles must be operated in a safe and non-distracted manner, in compliance with Policy 526 Cellular and Mobile Device Usage

### **Definitions**

- Business Mileage is defined as only those miles driven to conduct Company business and does not include commuting or other personal use miles.
- Assigned Vehicles are defined as Company vehicles dedicated to specific individuals who have primary responsibility and accountability for the vehicle, but who may or may not

## **Benton Utilities Personnel Policy and Procedure Manual**

have take-home privileges.

- Pool Vehicles are defined as Company vehicles that are not assigned to a particular individual, but are available to employees as needed to conduct Company business.

### **Criteria for Transportation Options**

- Monthly vehicle allowance with mileage reimbursement – Employee eligibility must be approved by the General Manager/Chief Executive Officer but generally this option would be available for employees who are frequently expected to respond to after-hours and weekend call-outs and/or have multiple-office/location responsibility.
- Assigned vehicle with take-home privileges – Employee eligibility must be approved by the General Manager/Chief Executive Officer but generally this option would be available for employees who are frequently expected to respond to after-hours and weekend call-outs and/or have multiple-office/location responsibility.
- Assigned vehicle without take-home privileges – Employee eligibility must be approved by the employee's supervisor.
- Pool cars or mileage reimbursement – Individuals who have transportation needs and do not qualify for any of the option listed above.

### **Benton Utilities Owned Vehicles**

1. No vehicle may be operated by an employee who does not possess a valid Arkansas Driver's License as required for that specific type of vehicle and an acceptable driving record. This license must be acceptable to the insurance Company who insures the Benton Utilities vehicles. Any change in license status or driving record must be reported to management immediately.
2. No vehicle or equipment may be operated by unauthorized persons.
3. Keys must always be removed from a vehicle not in use.
4. Radios will be turned off at the end of the day.
5. Operation of vehicles or equipment by an employee under the influence of alcohol, narcotics or other intoxicating substances is prohibited. Violation of this rule is grounds for appropriate disciplinary action, up to and including termination, even for the first offense.
6. No vehicle or equipment will be used for the personal benefit of the employee to which it is assigned.
7. Traffic violations are the responsibility of the employee - not Benton Utilities. Repeated incidents resulting in citations subject an employee to appropriate disciplinary action.
8. An employee receiving a traffic violation while driving a Company-owned vehicle should notify the employee's supervisor. That employee may also be required to submit to drug/alcohol testing.

## **Benton Utilities Personnel Policy and Procedure Manual**

9. Smoking or vaping in a Benton Utilities vehicle is not permitted.
10. A vehicle involved in a traffic accident or other type of accident where damage to the vehicle occurs must be reported to the driver's supervisor immediately. Supervisor should report the accident to Supervisor, General Manager/CEO or their designee. Also, the accident must be reported to the proper authorities as required by law. Violation by an employee of this rule is grounds for appropriate disciplinary action.
11. Vehicle Communications Equipment – The installation, removal and maintenance of Company-owned communications equipment approved for business use will be at the Company's expense and may require approval by executive staff member.
12. Employees who have an assigned vehicle with take home privileges will incur a taxable fringe benefit for their commuting in the Company vehicle.

### **Employee-Owned Vehicles**

1. Insurance Requirements – Individuals approved for vehicle allowances must carry the state-required minimum policy limits. Proof of insurance must be provided before the vehicle allowance can begin.
2. Traffic violations are the responsibility of the employee - not Benton Utilities. Repeated incidents resulting in citations may subject an employee to appropriate disciplinary action. Incidents of a serious nature (e.g., DUI, DWI, and other serious offenses) may result in appropriate disciplinary action up to and including termination. For any employee who is required to operate a motor vehicle as part of his/her job, any single incident or repeated incidents that result in Benton Utilities' insurer refusing to insure the employee, may result in appropriate disciplinary action up to and including termination.
3. Vehicle Communications Equipment – The installation, removal and maintenance of Company-owned communications equipment approved for business use will be at the Company's expense and may require approval by executive staff member.
4. Vehicle Accident Reporting – Individuals approved for vehicle allowances must complete the standard Vehicle Accident Report form when involved in an accident during normal working hours or while driving his/her personal vehicle on Company business. Forms are available from the Safety and Emergency Management Director.
5. Benton Utilities assumes no responsibility for any maintenance, insurance, operational costs, accidents, or fines incurred by the operator of the vehicle while on official Benton Utilities business.
6. Allowance monies paid are taxable and subject to appropriate withholding. Employees may be eligible to decrease their taxable income by keeping documentation as required by the IRS.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **512 Business Travel Expenses**

Effective Date: 11/01/2020

Benton Utilities employees required to travel on Company business are subject to the following policies and procedures:

All travel should be approved in advance by the department manager. All departments should budget for travel, as needed, and plan their travel expenditures to use the most cost efficient and effective means.

The travel mode should be the most economical available. If an employee uses another form of travel, the employee will be reimbursed for the cost of the most economical mode only.

Reasonable business-related expenses incurred in travel, excluding those covered by per diem, and supported by dated receipts are allowable for reimbursement.

Employees on business travel may be accompanied by a family member or friend, when the presence of a companion will not interfere with successful completion of business objectives. Any expense of a non-employee traveling companion will not be reimbursed. Any expenses charged to a Company credit card for a non-employee traveling companion (i.e., airline tickets, etc.) must be reimbursed by the employee by the due date of the credit card bill.

Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Any additional time away from work for personal travel will be charged to the employee's PTO, if available. Additional expenses arising from such nonbusiness travel are the responsibility of the employee.

Questions regarding these policies and procedures should be resolved prior to any travel.

### **AUTHORIZATION REQUIRED BEFORE TRAVEL**

#### **1. Out-of-State**

All such travel must be approved in advance by the appropriate corporate Officer.

#### **2. In-State**

Department supervisors must approve this travel in advance.

### **TYPE OF TRANSPORTATION**

#### **1. Air Travel**

- a. Air transportation arrangements are coordinated through the Executive Assistant in the General Manager/Chief Executive Officer's office or, if arranged by employee, a copy of arrangements will be provided to the

# Benton Utilities Personnel Policy and Procedure Manual

Executive Assistant. Ground transportation at destination airport should be selected by determining the most cost effective method available.

b. Typical choices are:

- Shuttle (Bus)
- Limousine
- Taxicab
- Ride-share services (i.e. Uber, Lyft, etc.)
- Rental vehicle (Rental vehicles are insured for employee use only. Employee will be responsible for obtaining insurance for any additional driver.)

## 2. Ground Travel

- a. Company-owned vehicles should be used when available and practical. This type of travel will typically occur within the state of Arkansas, but is not limited to state boundaries. Reimbursement will be made for the total of gas receipts submitted with a completed travel expense report.
- b. Personal vehicles usage may be elected when practical. Reimbursement will be made for:
  - All business miles driven at the current mileage rate. (See Administrative Assistant for this rate)
  - Tolls
  - Parking fees
- c. Employees who receive an automobile allowance will be entitled to reimbursement at the standard IRS allowed rate for any trips made outside a fifty-mile radius of the City of Benton. Such reimbursement shall not exceed the evident cost of air transportation if available. Employees must provide standard documentation of the miles driven for which reimbursement is being sought.

## 3. Election by Employee of Ground Travel rather than Air Travel

In the event air travel is the most practical and prudent method of travel, any additional travel days away from work due to employee's preference to use ground travel instead of air travel will be charged to the employee's Paid Time Off leave, if available. The employee will be reimbursed for travel expenses up to the amount of the air travel only.

## LODGING

### 1. Out-of-State

This will be prearranged by the Executive Assistant in the General Manager/Chief Executive Officer's office; or, if arranged by employee, a copy of arrangements will

## **Benton Utilities Personnel Policy and Procedure Manual**

be provided to the Executive Assistant

### **2. In-State**

This will be prearranged by the Executive Assistant in the General Manager/Chief Executive Officer's office; or, if arranged by employee, a copy of arrangements will be provided to the Executive Assistant.

Lodging reimbursement will be made only at the rate for single occupancy

It is expected that the employee will stay at a hotel/motel charging reasonable rates for the area.

## **FOOD EXPENSE**

A per diem each day will be paid to cover all meals and incidental expenses (M&IE). The per diem is determined by the city visited. To obtain current M&IE per diem rates, go to the General Services Administration website: [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem), and select primary destination to obtain current rate, or contact the General Accounting Supervisor or the Human Resources Department.

1. When a per diem applies for out-of-area travel, meal receipts are not required. Any exceptions for meal costs must be justified in writing.
2. All travel beginning before 12:00 noon will be reimbursed for one full day of the allowed per diem.
3. All travel beginning after 12:00 noon will be reimbursed for one-half (1/2) of the allowed per diem for that day.
4. Travel ending before 12:00 noon will be reimbursed for one-half (1/2) of the allowed per diem for that day.
5. Travel ending after 12:00 noon will be reimbursed for one full day of the allowed per diem.
6. Local business meals are not subject to a per diem. The meal will be reimbursed at actual cost when a receipt is submitted along with the purpose of the meeting and the names of those attending the meeting.
7. Gratuities added to travel expenses for food, taxis, etc., should be the standard 15% - 20% of allowed expenses.

## **MISCELLANEOUS EXPENSES**

These will be reimbursed at actual cost but only when the expense is required to carry out Company business. Personal entertainment expenses will be disallowed. Examples of expenses which will not be reimbursed are books, movies, in-room refreshment centers, personal hygiene products or anything used for personal use which you would normally buy on your own.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **CASH ADVANCES**

These are available when needed and should be requested from the Controller, or designee no later than 10:00 am the Wednesday before the employee is scheduled to travel. A travel expense report will be given to the employee along with the cash advance check. Cash advances for travel will not be given out of the Petty Cash Fund.

## **REIMBURSEMENT PROCEDURE**

Upon completion of travel, all original expense receipts must be organized and sorted by category and date. Attach these to a travel expense report listing the travel advance and the total of all attached receipts, and the differences. The travel expense report must be signed by the employee and approved in writing by the employee's supervisor. This package is then turned in to the Chief Financial Officer, or designee, for settlement within ten (10) working days.

1. If travel expenses were less than the advance, the employee should return the remainder of the advance by cash or check made payable to Benton Utilities with the completed expense report.
2. If travel expenses were more than the advance, the employee should return the travel expense report, and reimbursement will be made to the employee on the Wednesday following travel settlement.

## **DEVIATION FROM POLICY**

If an extraordinary situation occurs, the General Manager/Chief Executive Officer may authorize deviation from policy.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, and failing to returned unused cash advances, can be grounds for disciplinary action, up to and including termination of employment.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **513 Non-Exempt Employee Business Travel Pay**

Effective Date: 11/01/2020

Occasionally, Benton Utilities employees may be required to travel for business purposes. Employees in these positions will be compensated for travel time as set out below.

This policy applies only to non-exempt employees. Exempt employees are paid a weekly salary regardless of the hours worked, so calculating travel time is unnecessary.

### **1. Home to Work Travel:**

An employee who travels from home before the regular workday and returns to his/her home at the end of the workday is engaged in ordinary home to work travel, and this travel time does not count as hours worked.

### **2. Travel that is all in a Day's Work:**

Time spent by an employee in travel as part of their principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

Where an employee is required to report at a meeting place to receive instructions or to perform other work there, or to pick up and to carry tools, the travel from the designated place to the work place is part of the day's work, and must be counted as hours worked regardless of contract, custom, or practice.

If an employee normally finishes his work on the premises at 5 p.m. and is sent to another job which he finishes at 8 p.m. and is required to return to his employer's premises arriving at 9 p.m., all of the time is working time. However, if the employee goes home instead of returning to his employer's premises, the travel after 8 p.m. is home-to-work travel and is not hours worked.

### **3. Non-Overnight Trips**

Where an employee takes a business trip that does not require spending a night away from home, then all travel time that exceeds normal commute time to work is counted as hours worked. Travel time between home and work, home and the airport or between the hotel and the worksite is considered normal commuting time and is not counted as hours worked.

For example: if an employee spends 18 hours total on the trip and his/her normal round-trip commute is one hour, the employee is due pay for 17 hours, even if he only spent eight hours at meetings. However, if the employee flies to his/her destination, the travel time to and from the airport is NOT counted as hours worked.

### **4. Overnight, Out-of-Town Trips**

Where an employee takes a business trip that requires being away from home overnight, then time spent traveling during their normal working hours, on days they are scheduled to work and on unscheduled work days (such as weekends) is counted as hours worked. Regular meal period time is not counted.

# **Benton Utilities Personnel Policy and Procedure Manual**

Travel time from home outside of regular working hours as a passenger on an airplane, train, boat, bus, or automobile is NOT counted as hours worked. For example, consider an employee whose normal work hour are 9:00 a.m. to 5:00 p.m. If employee boards a flight at 3:00 p.m. and arrives at his/her hotel at 7:00 p.m., only the time spent traveling through 5:00 p.m. is compensable. If the employee chooses a late flight and the travel occurs during the overnight hours or on the weekend, none of the travel time is compensable. It's important to remember that any portion of travel time that the employee spends actually performing work-related tasks is still compensable.

## **6. Travel across time zones**

When an employee travels between two or more time zones, the time zone associated with the point of departure should be used to determine whether the travel time falls within the normal work hours.

## **7. When private vehicle is used for out of town travel.**

If an employee is offered public transportation but requests permission to drive their personal vehicle, the employee must first obtain approval from their supervisor. Upon approval, the employee may count as hours worked either the time spent driving their vehicle or the time they would have counted as hours worked if the employee had used public transportation.

## **8. Travel time as the driver of an automobile**

All authorized travel time spent driving an automobile (as the driver, not as a passenger), is normally treated as time worked, regardless of whether the travel takes place within normal work hours or outside normal work hours. An employee will receive his/her regular hourly rate for all travel time spent as the driver of an automobile, and this time will be factored into overtime calculations.

However, if an employee drives a car as a matter of personal preference when an authorized flight or other travel mode is available and the travel time by car would exceed that of the authorized mode, only the estimated travel time associated with the authorized mode will be counted as time worked.

## **9. Work performed while traveling.**

Any work which an employee is required to perform while traveling must be counted as hours worked. An employee who drives a truck, bus, automobile, boat or airplane, or an employee who is required to ride therein as an assistant or helper, is working while riding, except during bona fide meal periods or when he is permitted to sleep in facilities furnished by the employer.

Non-exempt employees also will be paid for any time spent performing job duties during otherwise non-compensable travel time; however, such work should be limited to those with advance management authorization.

## Benton Utilities Personnel Policy and Procedure Manual

### 10. Overtime

If compensable travel time results in more than 40 hours worked by a non-exempt employee, the employee will be compensated at an overtime rate of one and one-half (1-1/2) times the regular rate.

Examples:

- **Example 1:** John is required to travel to a meeting in Dallas, Texas. The meeting begins at 8 a.m. Monday morning. John drives his automobile to Dallas, leaving at 2 p.m. Sunday afternoon and arriving in Dallas at 8 p.m. John's travel time (2-8 p.m.) is reported as hours worked, is paid at his regular rate of pay and counts as time worked for the calculation of overtime compensation, as applicable.
- **Example 2:** Karen is required to travel to a meeting in Dallas, Texas. The meeting begins at 8 a.m. Monday morning. Karen takes an airplane on Sunday from Little Rock, Arkansas, to Dallas. Karen arrives at the Little Rock airport at noon on Sunday. The flight departs at 1 p.m. and arrives in Dallas at 2 p.m.; she arrives at the hotel at 3 p.m. She records work hours from noon-3 p.m. These hours are paid at her regular rate of pay and count as time worked for the calculation of overtime compensation, as applicable.
- **Example 3:** Jim is required to travel to a meeting in Dallas, Texas. The meeting begins at 8 a.m. Monday morning. Jim rides as a passenger in an automobile, departing Little Rock at 5 p.m. Sunday and arriving in Dallas at 11 p.m. Since all of Jim's travel time riding in a vehicle occurs outside his normal working hours, none of his travel time will count as hours worked.
- **Example 4:** Jane is required to travel to a conference in Dallas, Texas. The meeting begins at 8 a.m. Monday morning. Jane rides as a passenger in an automobile, departing Little Rock at 3 p.m. Sunday afternoon and arriving in Dallas at the hotel at 9 p.m. She reports time worked during normal working hours as 3-5 p.m., and time worked outside normal business hours from 5-9 p.m. will not be counted as hours worked.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **514 Training Time Pay**

Effective: 11/01/2020

### **Training Time**

This policy applies only to non-exempt employees. Exempt employees are paid a weekly salary regardless of the hours worked, so calculating training time is unnecessary.

In general, time that an employee spends in training or attending employer sponsored, work-related lectures or meetings or training programs must be included in hours worked

### **Exceptions (Unpaid):**

If all the following four conditions are met, time in attendance will not be counted as hours worked:

- Attendance is voluntary, and non-attendance will not adversely affect employment. For example, a training course which would result in a salary increase, but failing to take course would not result in termination, is voluntary.
- The training is conducted outside of the employee's regular work hours.
- The course or lecture is not directly related to the employee's job, such as if it is designed to make him more effective in his present job. For example, the purpose is to train the employee for another job or to give him a new or additional skill, then the training isn't directly related to his job and the time is not counted as hours worked, even if the course incidentally improves his skill in doing his regular work.
- The employee does not perform any productive work while attending a course or lecture.

If an employee on his own initiative attends school, college, or trade school after hours, that time is not hours worked even if the courses are job-related.

### **Voluntary conference or training events**

While attending training at conferences or other training events, the following do NOT count as hours worked:

- Attendance at voluntary receptions
- Attendance at voluntary networking or entertainment events
- Meal times



# Benton Utilities Personnel Policy and Procedure Manual

## 516 Computer and Email Usage

Effective Date: 11/01/2020

1. Benton Utilities computers and network resource usage should be limited to Company business only.

Computers, computer files, access to corporate email and software furnished to employees are Benton Utilities property intended for business use. However, personal use will be permitted so long as the time spent is immaterial, the use is not for personal gain, and the use does not violate other areas of this policy. Users should not expect to enjoy personal privacy in the use of this network or equipment.

2. Employees should not use a password, access a file or network resource, or retrieve any stored communication other than their own, without authorization. Unauthorized access is a violation of Benton Utilities policies and may result in disciplinary action, up to and including termination of employment.
3. Since Benton Utilities' communication and computer systems are intended for business use, all employees, upon request, must inform management of any access codes or passwords.
4. Email and other communication software may not be used for illegal or wrongful purposes.
  - Benton Utilities strives to maintain a workplace free of harassment and is sensitive to the diversity of its employees. Therefore, Benton Utilities prohibits the use of computers and the email system to send harassing or defamatory messages. For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

Employees should be aware that practically all correspondence generated or received by Company employees may be subject to the Freedom of Information Act and should treat emails sent from the corporate network as if they were writing a letter on corporate letterhead.

- Company e-mail, cellular and Internet resources may not be used to infringe copyrights or trademarks.
5. Virus Checking  
Virus protection measures will be installed by the Company technology vendor. All users of e-mail should follow appropriate procedures to protect against importing viruses from downloaded files and software
  6. Purchasing of computer, technology-related hardware, software, software-as-a-service (SaaS), must be done in coordination with and may need approval by the Manager, Information Systems or designee.

## **Benton Utilities Personnel Policy and Procedure Manual**

7. Authorized use of hardware  
Employees should notify the Manager, General Manager/CEO or designee before using any unapproved computer hardware. This includes but is not limited to personal or home computers and any of the following when connected to a Company computer or network resource: portable hard drives, USB keys, memory sticks, MP3 players, tablets and cellular phones.
8. Benton Utilities' Internet, e-mail, software, hardware and other information technology resources must be only used by Benton Utilities employees. Any exceptions must be approved by the General Manager/CEO or technology vendor or the appropriate department manager.
9. Best efforts should be made when using Company computing resources outside of the Benton Utilities network. Anti-virus, spyware protection and VPN software are recommended.
10. Employees should notify their immediate supervisor, the General Manager/CEO or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **517 Internet Usage**

Effective Date: 11/01/2020

Internet access to global electronic information resources on the World Wide Web is provided by Benton Utilities to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. While Internet usage is intended for job-related activities, incidental and occasional brief personal use is permitted within reasonable limits.

All Internet data that is composed, transmitted, or received via our computer and cellular communications systems is considered to be part of the official records of Benton Utilities and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of Benton Utilities. As such, Benton Utilities reserves the right to monitor Internet traffic, retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems when there is a business need to do so. Any such monitoring must be initiated through the Human Resources department to determine appropriate business need. Human Resources will coordinate business related monitoring with the General Manager/CEO and technology vendor. Internet usage or the monitoring of Internet usage that violates this policy will be subject to disciplinary action, up to and including termination of employment.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to: sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, or any other characteristic protected by law.

The unauthorized use, installation, copying, downloading or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited.

Abuse of the Internet access provided by Benton Utilities in violation of law or Benton Utilities policies will result in disciplinary action, up to and including termination of employment. The following behaviors are examples of previously stated or additional actions and activities that are prohibited, not all inclusive and can result in disciplinary action:

- \* Sending or posting discriminatory, harassing, or threatening messages or images
- \* Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions
- \* Participating in the viewing or exchange of pornography or obscene materials
- \* Attempting to break into the computer system of another organization or person
- \* Refusing to cooperate with a security investigation
- \* Engaging in any other illegal activities

# **Benton Utilities Personnel Policy and Procedure Manual**

## **518 Workplace Monitoring**

Effective Date: 11/01/2020

Workplace monitoring may be conducted by Benton Utilities to ensure quality control, employee safety, security, and customer satisfaction.

Employees who regularly communicate with customers may have their telephone and in-person conversations and/or PC activities monitored or recorded. Telephone and PC monitoring and recording is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of Benton Utilities as well as their satisfaction with our service.

Computers and cellular devices furnished to employees are the property of Benton Utilities. As such, computer usage, access to the Internet, cellular usage and files may be monitored or accessed by Benton Utilities when there is a business need to do so. Any such monitoring outside of targeted training, must be initiated through the Human Resources department to determine appropriate business need. Human Resources will coordinate business related monitoring with the General Manager/CEO and technology vendor. Internet usage or the monitoring of Internet usage that violates this policy will be subject to disciplinary action, up to and including termination of employment.

For employees using Company vehicles for transportation, GPS location and vehicle usage data such as speed, mileage, location and fuel usage may be collected and monitored. This data is used to more efficiently route operational personnel as well as correct performance problems.

Benton Utilities may access door entry logs and conduct video surveillance of non-private workplace areas. Video and door entry log monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage or prevent acts of harassment and workplace violence.

Because Benton Utilities is sensitive to the legitimate privacy of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner and will be coordinated through the Human Resources Department.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **522 Workplace Violence Prevention**

Effective Date: 11/01/2020

Benton Utilities is committed to preventing workplace violence and to maintaining a safe work environment. Benton Utilities has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Benton Utilities specifically discourages employees from engaging in any physical confrontation with a violent or potentially violent individual. However, Benton Utilities does expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations.

### **Prohibited Conduct**

Threats, threatening language or any other acts of aggression or violence made toward or by any Benton Utilities employee **WILL NOT BE TOLERATED**. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation.

### **Procedures for Reporting a Threat**

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom the employee feels comfortable. Reports of threats may be maintained confidential to the extent maintaining confidentiality does not impede Benton Utilities' ability to investigate and respond to the complaints or where disclosure is required by applicable federal, state or local law. When reporting a threat of violence, employees should be as specific and detailed as possible.

All threats will be promptly investigated. All employees must cooperate with all investigations. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If Benton Utilities determines, after an appropriate good faith investigation, that an employee has violated this policy, Benton Utilities will take an appropriate disciplinary action up to and including termination of employment.

If the employee is the recipient of a threat made by an outside party, including customers, vendors, solicitors, or other members of the public, that employee should follow the steps detailed in this section. It is important for Benton Utilities to be aware of any potential danger in its facilities. Benton Utilities wants to take effective measures to protect everyone from the threat of a violent act by employees or by anyone else.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **526 Cellular and Mobile Device Usage**

Effective Date 11/01/2020

Benton Utilities may provide mobile devices to employees as a business tool. They are provided to assist employees in performing their job duties in communicating with management and other employees, and others with whom they may conduct business.

As a representative of Benton Utilities, cellular and mobile device users are reminded that professional business etiquette employed when speaking from office phones or in meetings applies to conversations conducted over a cellular or mobile device.

### **Usage**

Benton Utilities may audit all Company provided mobile device services (voice minutes used, text messages sent/received, and data service use) which include a review of the monthly billing. All mobile device usage such as, call logs, text messaging, data usage, etc. are subject to review by Benton Utilities.

Mobile devices including, but not limited to, cell phones and tablets, are subject to location tracking, software monitoring and are secured using a device management platform. This is required for access to corporate resources such as e-mail, corporate files and tools essential to job duties.

Employees shall not remove administrative or device management software from their devices. Removal of this software will result in loss of access to corporate resources such as email and other essential tools.

Benton Utilities retains the authority to remove this access in the event the device is lost, stolen or to protect the Company. When appropriate, Benton Utilities will use best efforts to remove only corporate information from a device, but deleting all data (including an employee's personal data) may be required in particular situations.

Using a Company provided or authorized personal device for unlawful activity will not be tolerated and the employee may be subject to disciplinary action.

Employees have no reasonable expectation of privacy in regard to the use of such devices, and all use is subject to monitoring, to the maximum extent permitted by applicable law. This includes, as permitted, the right to monitor personal communications as necessary. Any such monitoring must be initiated through the Human Resources department to determine appropriate business need. Human Resources will coordinate business related monitoring with the General Manager/CEO and technology vendor. Cellular usage or the monitoring of cellular usage that violates this policy will be subject to disciplinary action, up to and including termination of employment.

### **Personal Use of Company Provided Mobile Devices**

Benton Utilities issues mobile devices to allow efficient and cost-effective execution of Company business. Personal use of mobile devices and phone calls during work hours can

## **Benton Utilities Personnel Policy and Procedure Manual**

interfere with employee productivity, be distracting to others, and give a bad impression to customers. Personal use of mobile devices during work hours should be kept to a minimum, and in certain work areas, may be prohibited.

Excessive personal use of Company-provided mobile devices during work hours may result in loss of privileges or disciplinary action.

### **Use of Privately Owned Devices**

Privately owned mobile devices may be used for business purposes, but only with the permission of the employee's supervisor and the General Manager/CEO or designee. Privately owned devices should only be used in accordance with Company policy. Benton Utilities data on privately owned mobile devices is subject to removal by the Company.

Benton Utilities will make an effort to not affect private data, but is not liable for its loss. The General Manager/CEO or designee reserves the right to reject the use of any particular mobile device.

### **Reimbursement for Privately Owned Mobile Devices**

Benton Utilities does not provide reimbursement for the cost of any privately owned mobile device or its usage. Employees use privately owned mobile devices at their own expense.

### **Loss or Theft**

Reasonable precautions should be made to prevent equipment theft and vandalism to Company issued mobile devices. Company-owned mobile devices and privately owned mobile devices that are used corporately must be reported lost or stolen to the General Manager/CEO or designee as soon as reasonably possible. All devices reported lost or stolen will be wiped and/or disabled to prevent access to Company resources.

### **Use of Mobile Devices While Driving – Distracted Driver Laws**

Use of cell phones and other wireless devices while driving poses a significant safety risk to motorists, their passengers and others on the road. Benton Utilities employees should not operate a mobile device while operating a vehicle. Wireless hands-free devices are provided for use when operating a Company-owned or leased vehicle, if use while driving is necessary.

In accordance with Arkansas state law, Benton Utilities enforces the following restrictions:

- No employee under the age of 18 may use a cell phone at all while driving
- Employees between age 18 and 21 years must use a hands-free device if using cell phone while driving
- Employees are prohibited from using a mobile telecommunications device for reading or writing emails, texting, or accessing information on the internet while driving.

## **Benton Utilities Personnel Policy and Procedure Manual**

Arkansas law prohibits ALL wireless phone usage in school zones when children are present and in highway work zones when workers are present.

These restrictions do not apply to calls made to report an emergency. In these cases, all cautionary measures should be practiced.

Employees who are charged with traffic violations resulting from the violation of this policy may be subject to all liabilities as a result and disciplinary actions up to and including termination.

### **Corporate Data and Customer Information**

Mobile devices such as smart phones and tablets allow employees to access resources such as Company e-mail, billing data, customer information and other private and proprietary data to Benton Utilities. Employees should restrict access to their mobile devices to themselves and other employees who are authorized to access those resources.

### **Modifications to Mobile Devices**

Modifications to mobile devices' operating software, "jailbreaking", "rooting" and "unlocking" are not allowed. Devices which are detected to be modified will be disabled and reclaimed. Benton Utilities will not be responsible for the loss of any personal information that occurs as part of this process.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **581 Weather Absences**

EffectiveDate:11/01/2020

On rare occasions, the weather causes a disruption of normal transportation to and from work. However, since Benton Utilities' services must be provided 100% of the time, there is no choice for employees but to be at work and to be on time despite adverse conditions.

Any unscheduled absences due to weather conditions would be charged to an employee's Vacation time account. If the employee has no accrued Vacation, that time off would be without pay.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **582 Inclement Weather**

Effective Date: 11/01/2020

Inclement weather, which delays or disrupts the services of Benton Utilities, may also necessitate delay or alteration of the scheduled work of employees.

Supervisors will use the following guidelines when deciding what work their employees will perform.

### **OUTDOOR CONSTRUCTION OR MAINTENANCE WORK**

1. When the temperature is below 10 degrees Fahrenheit or during periods of heavy precipitation, outdoor construction or maintenance work usually will not be performed.
2. When the temperature is between 10 degrees Fahrenheit and 35 degrees Fahrenheit **and** during periods of light to medium precipitation, employees may not be required to perform outdoor job duties.

However, if, in the judgment of the supervisor, such work is necessary to protect life or property and/or to maintain or restore service to the public, Company employees will be required to work outdoors. All safety rules, procedures and practices will be carefully observed.

### **CUSTOMER SERVICE WORK**

Customer service providers are required to perform their regular job duties during inclement weather when the department supervisor determines that such work is necessary to satisfy the expectations of the Company's customers.

These customer service providers include but are not limited to the following:

- Service Technicians
- Utility Workers
- Plant Operators

### **REPORTING REQUIREMENTS/ALTERNATIVE WORK**

The Personnel Policy entitled "Weather Absences" says that employees are required to report for work on time despite adverse weather conditions.

Employees reporting for work at their regularly designated time and place will not be laid off due to inclement weather, but may be required to perform other tasks suitable to the weather conditions.

### **INCLEMENT WEATHER PROTECTIVE CLOTHING**

Benton Utilities will provide raincoats or slicker suits, hats, and rubber boots to all employees required to work outdoors during inclement weather. The employee is responsible for the equipment as follows:

## **Benton Utilities Personnel Policy and Procedure Manual**

1. Use of the equipment only while on the job and/or while in route to and from work.
2. Return of the equipment if it wears out, is damaged, or employment is terminated.
3. If the equipment is lost, the employee may be required to pay for it through payroll deduction or in cash at the time replacement equipment is issued, to the extent permitted by federal, state and local law.
4. Benton Utilities will provide safe storage of the equipment as necessary at the employee's base of operations (Billing Services Center, Wastewater Plant, Water Plant, Main Office Building, etc.).

# **Benton Utilities Personnel Policy and Procedure Manual**

## **583 On-Call**

Effective Date: 11/01/2020

Certain employees will periodically be assigned an On-Call Period. The On-Call Period is set for off-hours duty and determined by the department manager

The employee is subject to call-to-duty at any time during his or her On-Call Period for urgent or emergency service calls and to restore, or prevent, interruption of Benton Utilities service. The employee is expected to be fit for duty at all times during the On-Call Period.

### **ON-CALL COMPENSATION**

An employee on On-Call will receive compensation according to the approved pay schedule for the On-Call Period, in addition to the employee's regular hourly wage for time worked during normal work hours.

Additionally, a non-exempt employee on On-Call will receive overtime pay only for any work extending beyond two consecutive hours. No overtime pay will be paid for work during the two-hour period following a call. Exempt employees on On-Call shall not receive overtime pay.

The compensation for the On-Call Period will be reviewed annually and may be adjusted by the CEO. Any adjustment in the On-Call compensation shall not exceed ten percent without the approval of the Board of Directors.

### **LEAVE DURING ON-CALL PERIOD**

An employee scheduled to work On-Call, and who takes a day off work for PTO, Extended Leave or for any reason during their On-Call period, causing another employee to be assigned to take over On-Call during their absence, will have his or her On-Call pay reduced pro rata for the number of days missed due during the On-Call Period. Supervisors who approve timesheets are responsible for verifying that no On-Call pay is received by an employee who is on other paid leave.

### **AVAILABILITY**

Employees on On-Call will be provided, and are expected to carry and answer calls on, Company-provided communications equipment (including cell phones, smart phones, and/or two-way radios) at all times during the On-Call Period. If the job duties to be performed require an employee to physically be present on the worksite, they must also remain within the Quick Response Boundary area at all times while on On-Call. Violations of this policy may result in disciplinary action, up to and including termination of employment, even for the first offense.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **584 Cyber Security / Access to Data**

Effective Date: 11/01/2020

Employees of Benton Utilities, by nature of their positions, may have access to sensitive, proprietary data and customer information. This access does not constitute authorization to access privileged information not in line with employee's assigned duties, and is subject to prior approval of employee's department manager, the General Manager/CEO or a Benton Utilities senior manager. Employees are expected to handle this information with care and to respect its confidentiality and the privacy of Benton Utilities' customers and partners. Abuse of access granted to this information will not be tolerated and may result disciplinary action up to and including termination.

### **Access To Data**

Employee user accounts and passwords are to be administered through the Manager, Information Systems or designee, and may only be granted through requests made by Human Resources or the employee's department manager. Employees are prohibited from sharing their account information with anyone, with the exceptions of the Information Systems teams and the employee's department manager.

Requests for access to additional information shall be made through the General Manager/CEO or designee. The sensitivity of the information requested will determine if further managerial or executive approval is needed.

In order to reduce physical and cyber security risks, an employee who has been suspended will be denied access to Benton Utilities' physical and cyber assets. The General Manager/CEO, or designee, will be instructed to temporarily disable access pending return to active employment status. Any exceptions must be recommended by the employee's supervisor and approved by the Human Resources Director, or designee, in accordance with applicable laws and regulation.

### **Critical Systems**

Access to systems critical to Benton Utilities' operation shall be limited to necessary personnel only and are to be determined by the General Manager/CEO. Access to critical systems necessary for employees to perform job, will not be unreasonably withheld.

Benton Utilities shall make reasonable effort to isolate and protect these assets from unauthorized access and improper usage. This will include, but not be limited to applying industry best practices, performing regular security checks and educating system users.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **585 Software**

Effective Date: 11/01/2020

Benton Utilities purchases and licenses the use of software for the purpose of conducting business. It is the responsibility of the General Manager/CEO or designee to ensure proper licensing and compliance with all relevant law.

### **Unauthorized Software:**

Unlicensed and unauthorized software is not allowed on Benton Utilities' network; computers and cellular devices with unlicensed or unauthorized software may be removed without notice. Software owned by employees may not be used on Benton Utilities computers without authorization by the General Manager/CEO or designee.

### **Unauthorized Copying and Software Piracy:**

Unauthorized copying of Benton Utilities owned software is strictly forbidden. The Technology Department is responsible for all authorized copying of Benton Utilities owned software.

Software obtained illegally by an employee using (or for use with) Benton Utilities computers shall be removed immediately upon discovery.

Violations of the Unauthorized Copying and Software Piracy portion of this policy will result in restricted access for the employee pending review and may result in disciplinary action up to and including termination.

### **Compliance:**

The General Manager/CEO or designee is responsible for tracking the usage of required software licensing on Benton Utilities owned computers and systems. Audits may be required for budgeting purposes and to ensure proper compliant.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **586 Social Media**

Effective Date: 11/01/2020

### **Purpose:**

In addition to traditional methods, Benton Utilities will use Social Media tools to communicate general information with its customers.

This policy is intended to guide Benton Utilities employees in their use of Social Media for business purposes. The purpose for adopting a Social Media Policy is to protect Benton Utilities employees, partners and the organization from illegal or damaging actions by individuals, either knowingly or unknowingly.

### **Background**

Social Media is an umbrella term that integrates technology, social interaction and content creation. Social Media allows Benton Utilities to engage with customers and the general public in electronic forums where conversations and interactions already exist. Social Media are to be used for business purposes in serving the interests of the organization and our customers.

Because of the nature of Social Media tools, this policy reflects a flexible approach. Social Media include, but are not limited to, tools and websites such as Facebook, YouTube, Instagram, Pinterest, Flickr, Twitter, wikis and blogging.

Effective security, public disclosure, records retention and engagement with citizens and customers are a team effort involving the participation and support of every Benton Utilities employee and affiliate who deals with information and/or Social Media. It is the responsibility of every employee to know these guidelines and to conduct activities accordingly.

### **Social Media Usage**

**For business purposes:** This section captures the acceptable use of Social Media tools at Benton Utilities for business purposes, which include, but are not limited to, marketing, promotion and public outreach.

1. The General Manager/CEO or designee shall have responsibility for the Social Media tools used for Benton Utilities business purposes, which includes creating and maintaining Social Media accounts, posting content, coordinating responses to questions and comments and keeping the Social Media sites current and active.
2. Benton Utilities' General Manager/CEO or designee will maintain a list of all Benton Utilities social media sites, including login and password information.
3. The General Manager/CEO or designee will review Social Media content and responses to questions with the appropriate subject matter experts prior to posting.
4. Benton Utilities employees considered subject matter experts may be asked to prepare responses and messages for Benton Utilities Social Media.

## **Benton Utilities Personnel Policy and Procedure Manual**

5. Benton Utilities' website (www.Bentoncorp.com) will remain the primary and predominant Internet presence.
6. The best, most appropriate Benton Utilities uses of social media tools fall into three categories:
  - a. As channels for disseminating time-sensitive information as quickly as possible (example: outages).
  - b. As an avenue for addressing questions/concerns raised by customers who are using social media to communicate with Benton Utilities
  - c. As marketing/promotional channels which increase Benton Utilities' ability to broadcast its messages to the widest possible audience.
7. Wherever possible, content posted to Benton Utilities social media sites will also be available on Company website.
8. Wherever possible, content posted to Benton Utilities social media sites should contain links directing users back to Benton Utilities' official website for in-depth information, forms, documents or online services necessary to conduct business with Benton Utilities.

**Representation of Benton Utilities:** Benton Utilities employees who choose to engage in Social Media for personal purposes assume any and all risk associated with that use.

When an employee clearly identifies his or her association with Benton Utilities and/or discusses his or her work on Social Media:

1. He or she is expected to behave appropriately and in ways consistent with Benton Utilities values and policies.
2. Employees shall make it clear they are speaking for themselves and not on behalf of Benton Utilities by including a disclaimer such as: "The postings on this site are my own and don't necessarily represent Benton Utilities positions, strategies or opinions."

### **Unacceptable Use of Social Media**

The following list is by no means exhaustive, but provides a framework for activities that fall into the category of unacceptable use of Social Media, both for business and personal purposes unless otherwise stated. Employees should contact the General Manager/CEO or designee for questions about this policy.

**The following activities are strictly prohibited, with no exceptions:**

1. Engaging in any actions that may harm or tarnish the image, reputation and/or goodwill of Benton Utilities and/or any of its employees when participating in Social Media.
2. Attributing personal statements, opinions or beliefs to Benton Utilities when participating in Social Media (as stated above under "Representation of Benton Utilities").
3. Using Benton Utilities name, trademarks, logos and any other Benton Utilities intellectual



## **Benton Utilities Personnel Policy and Procedure Manual**

- property in connection with any personal Social Media activity.
4. Using a Benton Utilities Social Media account to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws.
  5. Making fraudulent offers of products, items, or services originating from any Benton Utilities account.
  6. Making statements about warranty, expressly or implied, unless it is a part of normal job duties, from any Benton Utilities account.
  7. Effecting security breaches, including, but not limited to, sharing data that is restricted from public disclosure.

# Benton Utilities Personnel Policy and Procedure Manual

## 601 Family & Medical Leave (FMLA)

Effective Date: 11/01/2020

Under the provisions of the Family and Medical Leave Act of 1993 (FMLA), eligible employees are entitled to a maximum of 12 work weeks of leave (or up to 26 weeks of military caregiver leave) during any 12-month period, subject to the following conditions:

### 1. Eligible employee

To qualify to take family or medical leave under this policy, the employee must have:

- worked for Benton Utilities for 12 months, or 52 weeks; and
- worked at least 1,250 hours during the 12-month period immediately preceding the date when the leave is requested to commence.

### 2. Reasons for taking leave (*These are the only authorized reasons under the law.*)

- a. For the birth of the employee's child, or placement of a child with the employee for adoption or foster care; or
- b. For the care of the employee's spouse, son or daughter, or parent, who has a serious health condition, or
- c. For a serious health condition that makes the employee unable to perform the essential functions of his job.

*A serious health condition* is defined as an illness, injury, impairment or physical or mental condition that involves:

- any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice or residential medical-care facility.
- incapacity requiring more than three full, consecutive calendar days absence from work, school or other regular daily activities and continuing treatment by (or under the supervision of) a health care provider.
- continuing treatment by (or under the supervision of) a health care provider for prenatal care or a chronic or long-term condition that is either incurable or likely to result in more than three days incapacity if untreated.

*Parents* include biological, adoptive, step and foster parents and any other persons charged with a parent's rights and responsibilities when the employee was a minor. The term does not include parents "in law."

*Children* include persons under age 18 (or 18 and over but incapable of self-care) for whom the employee is charged with a parent's right and responsibilities.

- d. Military qualifying exigency leave for employee with a spouse, child, or parent on active duty or called to active duty status in the National Guard or Reserves in support of a

## **Benton Utilities Personnel Policy and Procedure Manual**

contingency operation. Qualifying exigencies may include short-notice deployment, attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, counseling, and post-deployment reintegration briefings.

The leave may commence as soon as the individual receives the call-up notice. "Child" for this type of FMLA leave does not have to be a minor. This type of leave would be counted toward the employee's 12-week maximum of FMLA leave in a 12-month period.

- e. Military caregiver leave to care for a spouse, child, parent, or next of kin who is a service member recovering from a serious illness or injury sustained in the line of duty. This leave may extend to up to 26 weeks in a single 12-month period.

"Child" for this type of FMLA leave does not have to be a minor. Next of kin is defined as the closest blood relative of the injured or recovering service member. Military caregiver leave, when combined with other FMLA qualifying leave, may not exceed 26 weeks in a single 12-month period.

### **3. Procedure for Requesting FMLA Leave**

An employee requesting leave under this policy must provide notice of the need of FMLA leave to the employee's supervisor, who will advise the Human Resources Director. Within five business days after the employee has provided this request, the Human Resources Director will complete and provide the employee with individual notice of rights and obligations to the employee.

When the need is foreseeable, an employee must provide Benton Utilities at least 30 days advance notice. If the 30 days' notice cannot be given because the need for leave is not foreseeable, such as a medical emergency, or the like, notice must be given as soon as practicable under the facts and circumstances of the particular case. When the leave is not foreseeable, the employee must comply with the Company's usual and customary notice and procedural requirements for requesting unplanned leave (PTO), absent unusual circumstances.

When taking leave from work for any reason, the employee must explain the reason for the needed leave in order to allow the employer to determine whether the leave qualifies as FMLA leave. If the employee fails to provide sufficient information to determine whether the FMLA may apply to the leave requested, leave may be denied.

When planning medical treatment for an employee or a family member, the employee should work with the employer to schedule this leave in a way that does not disrupt business operations to the extent that it is medically possible to do so. If FMLA leave will cause disruption, the employer may require the employee to reschedule the leave if it is medically possible to do so. If the required notice is not given, the employer may delay FMLA leave until the notice has been given and the appropriate amount of time has passed.

### **4. Medical Certification**

Medical certification may be required to support a leave requested because of a serious

# **Benton Utilities Personnel Policy and Procedure Manual**

health condition. The certification must be provided within 15 calendar days of the employer's request for medical certification. The employee can obtain a form for medical certification from the Human Resources Director. If the employee does not provide this medical certification, the employee's request for FMLA leave may be denied.

The employer also reserves the right to obtain a second or third medical certification at its expense as allowed by the FMLA.

Additional medical certifications may also be requested by the employer in accordance with FMLA regulations.

If the employee has been on FMLA leave because of the employee's own serious health condition, before employee can return to work, employee may be required to provide a medical certification from the treating healthcare provider which states the employee is able to resume work. If the employee does not provide this medical certification, employee will not be permitted to return to work.

## **5. Intermittent or Reduced Leave**

An employee may take intermittent leave or may work a reduced schedule. Intermittent or reduced work schedules are subject to the approval of Benton Utilities management unless medically necessary.

If FMLA leave is taken on an intermittent or reduced leave basis, the employee may be transferred temporarily to an available alternative position which better accommodates recurring periods of leave. In addition, if FMLA leave is taken for the birth of a child or placement of a child for adoption or foster care, it must be taken at one time – not intermittently or on a reduced leave basis – and it must be concluded within twelve weeks of the birth or placement.

## **6. Status Report**

While the employee is on FMLA leave, employee must report to the Human Resources Director every two weeks on the status, including whether the employee intends to return to work and the date on which employee will return to work, if known.

Where circumstances have changed, and the employee requires more leave than originally anticipated, the employee must provide Human Resources with reasonable notice of the changed circumstances where foreseeable. If an employee fails to return to work on the agreed upon return date without providing such notice, the employee may be subject to termination.

## **7. Husband and Wife Rule**

A husband and wife who are eligible for FMLA leave are limited to a combined total of 12 weeks of leave if the leave is taken for the birth of a child; for the placement of a child for adoption or foster care; or to care for a parent (but not a parent-in-law) with a serious health condition.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **8. Job and Benefits Protection**

An employee returning from FMLA leave must be restored to his original or an equivalent job with the same pay, benefits and other employment terms as before going on FMLA leave. Key employees as defined in the FMLA (among the highest paid 10% of all employees) may be denied the right to return to work in certain circumstances.

## **9. Pay Continuation**

If approved FMLA leave is due to an employee's own serious health condition, accrued Extended Leave will be used to continue the employee's pay while on FMLA leave. In the event the employee uses all accrued Vacation and Sick Time will be applied to the employee's FMLA leave.

After all accrued paid leave has been used, the remainder of any FMLA leave coming to the employee will be unpaid. The paid leave and the FMLA leave will run concurrently, which means the paid leave will be counted against the employee's 12-week FMLA leave entitlement.

If FMLA leave is due to a circumstance other than employee's own serious health condition (as defined above), any earned but unused Vacation/Sick Time will apply to the employee's FMLA leave, and he will be paid until that time is used up. The paid leave and the FMLA leave will run concurrently, which means the paid leave will be counted against the employee's 12-week (26 weeks for military caregiver leave) FMLA leave entitlement. The remainder of any FMLA leave will be unpaid. Any earned but unused Extended Leave cannot be used in this instance.

If paid long-term disability leave qualified as FMLA leave, the employee will not be required to substitute any other type of paid leave during absence from work. However, the disability leave and FMLA leave will run concurrently. When a work-related injury qualifies for FMLA leave and the employee is receiving workers' compensation benefits, the employee will not be required to substitute any paid leave during the employee's absence from work. However, the leave taken for the work-related injury and the FMLA leave will run concurrently.

## **10. Group Insurance Coverage**

During the period of FMLA leave, group insurance coverage will remain in effect for the employee. If paid leave is substituted as discussed above, the employee's portion of the premium will be paid by payroll deduction as it normally is. If all or part of the leave is unpaid, then the employee must pay the portion of the premium that would be made if by payroll deduction. Employee has the option of making premium payments while on FMLA leave, or to make arrangements to pay the employee's share of the premiums during FMLA leave upon the employee's return to work.

If the employee does not return to work after FMLA leave, the employer reserves the right to recover all group insurance premiums paid by it for the employee's insurance coverage, depending upon the reason for failure to return to work.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **11. It is unlawful for the Employer to:**

- Interfere with, restrain or deny the exercise of any employee right provided under FMLA.
- Discharge or discriminate against any person because of involvement in any proceeding under or related to FMLA.

## **12. Look Back Rule**

Employees eligible for FMLA Leave will be entitled to take up to 12 weeks leave during a 12-month period. An employee's FLMA leave entitlement will be determined by looking back over the 12 months from the date of the request for FMLA leave to determine the number of weeks or days available for leave during the time requested for the following types of leave:

- (i) The birth of the employee's child, and to care for the newborn child;
- (ii) The placement with the employee of a child for adoption or foster care, and to care for the newly placed child;
- (iii) To care for the employee's spouse, son, daughter, or parent with a serious health condition; and
- (iv) Because of a serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.

For example, if an employee has used 6 weeks of FMLA leave in the 12 months prior to the current request, the employee has 6 weeks of FMLA leave time available for the current request.

For FMLA leave to care for a covered servicemember with a serious injury or illness, an employee will be entitled up to 26 weeks of leave during a 12-month period. An employee's FMLA leave entitlement begins on the first day the eligible employee takes FMLA leave to care for the covered servicemember and ends 12 months after that date, regardless of the method used by Benton Utilities to determine an employee's 12 workweeks of leave entitlement for other FMLA-qualifying reasons.

## **13. FMLA Regulations and Revisions**

FMLA administrative issues not specifically addressed in the Benton Utilities FMLA policy, or other applicable, related policies, will be determined in accordance with Department of Labor (DOL) FMLA rules and regulations.

This policy will incorporate, as required, any future changes to Federal and State laws, and DOL rules and regulations.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **605 Military Leave**

Effective 11/01/2020

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Arkansas state law. Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

### **Paid Military Leave (short term)**

An employee who is a reservist or a member of the National Guard, who desires or is ordered to participate in the military training programs made available by the National Guard or any of the reserve branches of the armed forces, will be granted paid leave for a period of fifteen (15) days plus necessary travel time for annual training requirements or other duties performed in an official duty status in any one (1) calendar year.

To the extent this leave is not used in a calendar year, it will accumulate for use in the succeeding calendar year until it totals fifteen (15) days at the beginning of the calendar year. The employee shall be entitled to his/her regular salary during such leave of absence. Leave pay will not be granted for hours before or after the regularly scheduled working hours or for overtime hours scheduled. Such leave of absence shall be in addition to the regular vacation time allowed to the employee.

Employees called to duty in emergency situations by the Governor or by the President of the United States will be granted leave with pay for up to thirty (30) working days, after which leave without pay will be granted. The leave is in addition to all other leave the employee shall be entitled to.

Whenever an employee is granted military leave for a period of fifteen (15) days under this policy, the unused military leave will accumulate for use in succeeding calendar years until it totals fifteen (15) days at the beginning of the calendar year, for a maximum number of military leave days available in any one (1) calendar year to be thirty (30) days.

Military leave will not be granted for diagnosis or treatment of any service-connected sickness or disability, for obtaining or sustaining any disability rating, or for treatment in any government facility. Time required for physical examinations for selection or admission to the Military Service to determine or maintain a selective service rating, or to maintain a reserve status will be counted as military leave. Pay will be limited to the regularly scheduled hours lost.

During a military leave of absence, the employee will be entitled to preserve all seniority rights, efficiency or performance ratings, promotional status, retirement privileges, life and disability insurance benefits, and any other rights, privileges, and benefits to which the employee has become entitled.

The period of military service shall, for purposes of computations to determine whether such person may be entitled to retirement benefits, be deemed continuous service, and the employee will not be required to make contributions to any retirement fund. Benton Utilities will continue to contribute its portion of any life or disability insurance premiums during the leave of absence on behalf of the employee, if requested, so that continuous coverage may be maintained.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **Unpaid Military Leave (long term)**

An employee who is drafted or ordered to active military duty in the armed forces for periods of more than 30 days will be placed on unpaid military leave. During this period of time, the employee is entitled to the non-seniority rights and benefits generally provided by Benton Utilities to other employees with similar seniority, status, and pay that are on furlough or leave of absence.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible. Employees may be required to pay the full premium under the plan, which represents the shares of both Benton Utilities and the employee, plus 2% for administrative costs. Employees on leave greater than thirty (30) days should contact Human Resources to discuss continuation of health insurance benefits during the employee's extended military leave.

Paid Time Off and Extended Leave will cease to accrue for employees on military leave for periods of more than 30 days.

## **Notification Requirements**

An employee requesting military leave under this policy shall be required to furnish Benton Utilities with copies of military orders or other appropriate verifying documentation as soon as possible after the employee receives it.

## **Reinstatement After Military Leave**

Re-employment rights and benefits and other employment benefits are conditioned on:

- The employee or an appropriate officer of the uniformed service in which service is performed providing advance written or verbal notice of such service to Benton Utilities, unless such notice is precluded by military necessity or, under all of the relevant circumstances, the giving of such notice is otherwise impossible or unreasonable.
- The cumulative length of the absence and all previous absences from a position of employment with Benton Utilities by reason of service in the uniformed services does not exceed five (5) years, except for reasons set forth in USERRA.
- The employee being released from service under honorable or general conditions.
- The employee reporting to work or submitting an application for re-employment to Human Resources, as appropriate, in accordance with the time period set forth in USERRA and described below.

For questions concerning exceptions to the five (5) year cumulative limitation on the amount of military leave an employee can perform and retain re-employment rights, please contact Human Resources.

For periods of military service up to thirty (30), the employee must report back to work at the next regularly scheduled shift on the day following release from the military service, safe travel



## **Benton Utilities Personnel Policy and Procedure Manual**

home, and eight hours of rest. Following a period of service of 31-180 days, the employee must apply for re-employment within 14 days following release. Following a period of 181 days or more, the employee must apply for re-employment within 90 days after release. In applying for re-employment, the employee should identify himself/herself, state that s/he left employment with Benton Utilities to perform military service, that s/he has completed the military service and wishes to be reinstated. Failure to return to work or apply for re-employment with the specified time limits may affect the employee's re-employment with Benton Utilities.

Reservists ordered to initial active duty for not less than 12 weeks have 31 days from the date of release after satisfactory service to apply for re-employment.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

For complete information on specific details of military leave entitlements under Arkansas law and USERRA, please refer to the specific provisions of the Arkansas Code or USERRA, as necessary. If there is conflict between this policy and either law, the law will prevail. If there is a conflict between Arkansas law and USERRA, the provisions of USERRA will prevail. Contact the Human Resources Department for more information or questions about military leave.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **607 Pregnancy-Related Absences**

Effective Date: 11/01/2020

Benton Utilities will not discriminate against any employee who requests an excused absence for medical disabilities associated with pregnancy. Such leave requests will be evaluated according to the medical leave policy provisions outlined in this Personnel Policies and Procedures manual and all applicable federal and state laws.

Requests for time off associated with pregnancy and/or childbirth, such as bonding and child care, not related to medical disabilities for those conditions will be considered in the same manner as other requests for family or personal leave.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **608 Lactation Accommodation**

Effective Date: 11/01/2020

Benton Utilities will provide reasonable break time for employees to express breast milk for their nursing child as needed in accordance with and to the extent required by applicable law. The break time, if possible, must run concurrently with rest and meal periods already provided. If the break time cannot run concurrently with rest and meal periods already provided, the break time will be unpaid, subject to applicable law.

Benton Utilities will provide a place, other than a bathroom, that is shielded from view and free from intrusion by coworkers and the public, for use by such an employee. This location may be the employee's private office, if applicable. The Benton Utilities may not be able to provide additional break time if doing so would seriously disrupt the Benton Utilities' operations, subject to applicable law. Please consult the Human Resources Director with questions regarding this policy.

Employees should advise management if they need break time and an area for this purpose. Employees will not be discriminated against or retaliated against for exercising their rights under this policy.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **701 Employee Conduct and Work Rules**

Effective Date: 11/01/2020

Benton Utilities endeavors to maintain a positive, safe, engaging and orderly work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, respect, integrity and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may result in disciplinary action, up to and including termination, in Benton Utilities' sole discretion. The following are examples of some, but not all, of the conduct which can be considered unacceptable:

- Obtaining employment on the basis of false or misleading information.
- Stealing, removing or defacing property belonging to Benton Utilities, a co-worker or a customer,
- Posting unauthorized notices, or tampering with bulletin boards.
- Willful or careless destruction or damage to Benton Utilities assets or to the equipment or possessions of another employee or customer.
- Violation of safety rules, policies and practices.
- Failure to immediately report any injury or accident.
- Violation of Benton Utilities' Drug and Alcohol-Free Workplace Policy.
- Fighting, threatening or disrupting the work of others or other violations of Benton Utilities' Workplace Violence Policy (522).
- Using abusive or intimidating language or conduct toward other employees or customers.
- Disruptive activities that distract others or cause confusion in the workplace, resulting in work slowdown or stoppage.
- Falsification of time worked records or any other Company record or report.
- Making false or malicious statements about another employee, Benton Utilities or its customers.
- Insubordinate or disrespectful conduct or failure to follow lawful instructions of a supervisor.
- Failure to perform assigned job duties.
- Violation of the Attendance and Punctuality Policy (704), including but not limited to irregular attendance, unexcused or excessive tardiness or absenteeism.
- Gambling on Benton Utilities property.
- Wasting work materials.
- Performing work of a personal nature during working time.
- Violation of Benton Utilities' Harassment (704) or Equal Employment Opportunity (103) Policies.
- Wearing improper or unauthorized clothing or footwear.
- Use of tobacco or tobacco products in prohibited areas, as listed in Policy 505 Tobacco Usage.
- Deliberately engaging in low productivity or inferior workmanship.
- Possessing or using dangerous or unauthorized materials, such as weapons or explosives, in the workplace.
- Sleeping, wasting time or leaving the work place or work station during working hours without permission from employee's supervisor.
- Garnishment of an employee's wages for more than one indebtedness.
- Unauthorized use of telephones, mail system, or other employer-owned equipment.

## **Benton Utilities Personnel Policy and Procedure Manual**

- Unauthorized disclosure of confidential or customer information.
- Failure to keep self or work area clean.
- Unauthorized soliciting or distribution of written or printed materials on Company premises during work time.
- Unauthorized use of Company purchase card.
- Unsatisfactory job performance or conduct.
- Any other violation of Company policy

Obviously, not every type of misconduct can be listed. All employees are employed at-will, and Benton Utilities reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. Benton Utilities will deal with each situation individually and nothing in this manual should be construed as a promise of specific treatment in a given situation. However, Benton Utilities will endeavor to utilize progressive discipline but reserves the right, in its sole discretion, to terminate the employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **702(a) DRUG AND ALCOHOL ABUSE AND TESTING POLICY FOR EMPLOYEES REGULATED BY THE DEPARTMENT OF TRANSPORTATION (DOT Employees)**

Effective Date: 11/01/2020

### **PURPOSE**

Benton Utilities and all its locations (the “Company”) has a longstanding commitment to providing a safe, quality-oriented and productive work environment consistent with the standards of the community in which we operate. An alcohol and drug-free environment is vital to the day-to-day operations of the Company as a supplier of public services and the requirement to provide these services without interruption.

The Company policy is to provide and maintain a workplace and working conditions free from the unauthorized or unlawful manufacture, distribution, dispensing, sale, possession, or use of illegal or illicit drugs and the abuse of controlled substances or alcohol by any employee. Violations of the Drug and Alcohol Abuse and Testing Policy (“Policy”) adversely affects the Company’s goals of providing quality and uninterrupted services to the public and a safe working environment for its employees. Therefore, alcohol and drug abuse are unacceptable and will not be tolerated anywhere the Company employees are at work.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies, and continues to apply, to all employees and all applicants for employment of the Company subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the Department of Transportation (“DOT”) and administered by the Federal Motor Carrier Safety Administration (“FMCSA”) for the purpose requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a commercial driver’s license (“CDL”). The Company’s Safety and Emergency Management Director, Human Resources Director, or their designee is responsible for administration of the policy.

Employees are expected to report to work in a physical and mental condition that will allow them to perform their assigned tasks in a competent and safe manner. The use, presence in the body, or reporting to work under the influence of alcohol, illegal drugs, misused legal drugs, and other dangerous substances by an employee limits the ability of the employee to exercise good judgment, react properly in unexpected situations, perform tasks safely and efficiently, and endangers not only that employee but other employees, customers, suppliers, contractors, the Company, and the general public. The Company has implemented this Policy to eliminate these problems and to meet the objectives listed below.

Under this Policy, the Company possesses the right to conduct searches and pre-employment, reasonable suspicion, post-accident, random, and return to duty, or follow-up, or both testing. Rather than relying solely upon searches and substance abuse testing to deter substance abuse, however, this Policy also contains provisions designed to encourage employees with substance abuse problems to seek appropriate medical assistance before being tested positive for substances that violate the provisions of this Policy.

# **Benton Utilities**

## **Personnel Policy and Procedure Manual**

### **ESTABLISHMENT OF POLICY AND PROCEDURES**

The Federal Motor Carrier Safety Regulations, specifically Part 382 of Title 49 of the Code of Federal Regulations (“C.F.R.”), promulgated by the United States Department of Transportation Federal Highway Administration, requires the Company to establish rules and regulations pertaining to controlled substance and alcohol use and testing. On January 16, 1996, the Board of Directors of the Company adopted this Policy, applicable to Company employees and applicants, which by reference includes 49 C.F.R. Part 382, and 49 C.F.R. Part 40 (collectively, the “Regulations”), which is made applicable to employers covered by Part 382 pursuant to 49 C.F.R. § 382.105. Implementation of the Policy began January 17, 1996.

The Company provides to its employees training and educational materials as required by the Regulations. This shall include, without limitation: initial training pertaining to the Policy, annual refresher training, personal copy of the Policy, and educational material related to controlled substance and/or alcohol abuse. These materials, documents, and training require a signed receipt by the employee, which shall be kept on file.

### **POLICY ADMINISTRATION**

**Record Keeping.** All employees assigned to duties related to this Policy shall be familiar with 49 C.F.R. §§ 382.401, 382.405, and 382.407, relating the handling and notification of test results, retention of records, and confidentiality. All records produced under, obtained pursuant to, or related to this Policy shall be maintained in accordance with 49 C.F.R. § 382.401. Quarterly statistical summary reports will be kept on file.

All records produced under, obtained pursuant to, or related to this Policy will, upon demand, be made available to agents of the DOT or State Enforcement Officers.

**Background Investigations.** The Company requires that each employee and applicant provide a signed, written consent form authorizing all former employers to release information related to alcohol and drug testing information. The Company performs a thorough background investigation on applicants prior to hiring, including obtaining information relating to previous drug and/or alcohol testing as required by 49 C.F.R. § 382.413 and 49 C.F.R. § 40.25. Applicants shall not be hired by the Company: (i) prior to the receipt of the information requested pursuant to 49 C.F.R. § 382.413 and 49 C.F.R. § 40.25; or (ii) after receipt of the information requested pursuant to 49 C.F.R. § 382.413 and 49 C.F.R. § 40.25, if the information indicates the applicant previously refused to submit to a test, tested positive for illegal drugs, as defined by this Policy, or tested positive for alcohol with a blood alcohol level (“BAC”) of 0.04% or greater.

**Disclosure of Records.** The Company shall provide information to prospective employers relating to drug and/or alcohol testing of employees and former employees after obtaining the written consent of the employee or former employee, as permitted by and in accordance with 49 C.F.R. § 382.413 and 49 C.F.R. § 40.25.

### **POLICY OBJECTIVES**

The objectives of the Policy are:

- 1) To maintain a safe and healthy working environment for our employees, our customers, visitors, vendors, suppliers, contractors, the Company, and the general public.

## **Benton Utilities Personnel Policy and Procedure Manual**

- 2) To prohibit the unlawful manufacture, distribution, dispersion, possession or use of controlled substances.
- 3) To prevent personal injuries and to protect the property of the Company, our employees, customers, visitors, vendors, suppliers, contractors and the general public.
- 4) To prevent the occurrence of avoidable accidents or harmful incidents, the consequences of which may affect the safety and the future of the Company's operations.
- 5) To minimize absenteeism and tardiness, to improve productivity, and to ensure quality workmanship.
- 6) To protect the reputation of the Company and our employees within the community, industry at large, and among our customers.
- 7) To comply with the contractual obligations of our customers or the requirements of enacted federal, state, and local laws.
- 8) To notify employees that if an injured employee refuses to submit to a test for drugs or alcohol, or tests positive for alcohol or illegal drugs, the employee may be precluded from workers' compensation medical and indemnity benefits, as well as unemployment benefits.
- 9) To encourage employees to seek professional assistance any time personal problems, including alcohol and drug dependency, adversely affect their ability to perform their assigned duties.

### **DEFINITIONS**

- 1) The term "**Company premises**" is defined as any Company property, offices, facilities, land, buildings, structures, fixtures, installations, automobiles, trucks and all other vehicles and equipment, whether owned, leased, or used by the Company, or Company employees for Company business. Company premises also includes all areas of customer properties which are under the Company's control, or where Company employees are working, or any other work locations or modes of transportation to and from those locations while in the course and scope of Company employment or on Company business.
- 2) The term "**illegal drug**" is defined as drugs, or the synthetic or generic equivalent of drugs, which are illegal under federal, state, or local laws, including but not limited to, marijuana,<sup>1</sup> opioids (including, without limitation, morphine and codeine), cocaine, phencyclidine (PCP), amphetamines (which includes methamphetamines), Ecstasy (MDMA), and any other substance which causes drug-like effects, but which may not necessarily be illegal under applicable laws. It includes: (i) any illegal drugs for which the federal or Arkansas

---

<sup>1</sup> Medical marijuana usage under the Arkansas Medical Marijuana Act of 2016 ("AMMA") is subject to Act 593 of 2017, which restricts employees in safety sensitive positions from performing duties associated with that position if a positive test result for marijuana occurs. For positions that are not safety sensitive, marijuana use – even in accordance with the Arkansas Medical Marijuana Act – may constitute a violation of this Policy. Notwithstanding the passage of the Arkansas Medical Marijuana Act of 2016 ("AMMA"), marijuana is classified as a Schedule I controlled substance under the Controlled Substances Act ("CSA"), 21 U.S.C. § 812. See below for an explanation of the permissibility of medical marijuana use, which is in accordance DOT Regulations.



## **Benton Utilities Personnel Policy and Procedure Manual**

government declares that employers may test; (ii) any legal drug, which is being used in a manner or for a purpose other than as prescribed or labeled, i.e., it specifically includes the

abuse of prescription and over-the-counter medication; (iii) the possession of legal drugs which have not been legally obtained, e.g., theft or borrowing from others; and (iv) the use of substances that cause drug-like effects, but which may not necessarily be illegal under applicable laws, for a purpose other than their intended purpose, e.g., it specifically includes the inhalation of intoxicating substances such as nitrous oxide, glue, cleaning products, etc.

- 3) The term “**legal drug**” is defined as any prescribed medications and over-the-counter drugs which have been legally obtained and are being used solely for the purpose for which they were manufactured, labeled, or prescribed.
- 4) The term “**possession**” as used in this Policy: (i) relating to drugs, includes traces of drugs or their metabolites found in the body as a result of a “positive” drug test; (ii) relating to alcohol or intoxicating beverages, includes traces of alcohol or its metabolites found in the body or BAC or breath alcohol concentration (“BRAC”) at 0.04% or above.<sup>2</sup> Possession also includes, without limitation, the presence of any substance, item, or material located on an employee’s person or with the employee’s personal belongings.
- 5) The term “**drug paraphernalia**” is defined as any unauthorized material or equipment or item used or designed for use in testing, packaging, storing, injecting, ingesting, inhaling, or otherwise introducing an illegal drug, as defined in this Policy, into the human body.
- 6) The term “**EBT**” is defined as an evidential breath-testing device for alcohol, approved by the National Highway Safety Administration.
- 7) The term “**medical review officer**” (“MRO”) is defined as a licensed physician responsible for receiving and reviewing laboratory results generated by an employer’s drug testing program and evaluating explanations for certain drug test results.
- 8) The term “**screening test**” is defined as the initial instant testing conducted at the workplace by on-site collector or at a designated collection facility.

### **COVERED EMPLOYEES AND POLICY APPLICATION**

This policy applies to all Company employees subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the DOT and administered by the FMCSA for the purpose requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a CDL. Subject to the foregoing limitation, this means the Policy applies to all regular full-time, part-time, temporary, or probationary employees and to employment applicants and/or transferees. Compliance with the Policy is required as a condition of employment or continued employment with the Company.

To the extent that any provision of this Policy contradicts or is in violation of any federal, state, or local law or regulation, that provision is considered modified to the extent necessary to comply with the applicable federal, state, or local law or regulation. If a court or agency with appropriate jurisdiction determines that any provision of this Policy is invalid, that determination will not void or

---

<sup>2</sup> The definition for “alcohol concentration” is found in 49 C.F.R. § 382.107, as amended.

# **Benton Utilities Personnel Policy and Procedure Manual**

invalidate the remaining provisions of this Policy and the Company maintains the right to modify or change this Policy at any time, without notice, as circumstances require.

## **PROHIBITED CONDUCT**

### **Illegal Drugs**

The following acts or conduct constitute violations of this Policy:

- The use or possession of illegal drugs on Company premises or while working for the Company;
- The sale, distribution, purchase, manufacture, or transfer of illegal drugs at any time or place, or the attempt to perform any of these acts; or
- The possession of illegal drug paraphernalia by employees on Company premises or during Company working hours.

No supervisor or department head shall permit an employee to perform or continue to perform safety sensitive functions when the supervisor or department head has actual knowledge that an employee:

- Has tested positive for controlled substances.
- Is using a controlled substance, except when the employee has been instructed by a physician that the substance does not adversely affect the employee's ability to safely perform their duties.
- Has refused to submit to a controlled substances test.

### **Alcoholic or Intoxicating Beverages**

The unauthorized use or possession of alcohol or intoxicating beverages on Company premises or during work hours is a violation of this Policy. Additionally, a BAC of 0.04% or above during working time is a violation of this Policy. Any employee with a BAC of 0.04% or greater shall not return to work performing safety sensitive duties until the employee's BAC is 0.02% or less.

No supervisor or department head shall permit an employee to perform or continue to perform safety sensitive functions when the supervisor or department head has actual knowledge that an employee:

- Is using alcohol.
- Has a BAC of 0.04% or greater.
- Has used alcohol within four hours.
- Possesses alcohol, unless the possession is in accordance one of the exceptions listed below.
- Has refused to submit to an alcohol test under this Policy.

Exceptions: The possession of alcohol is not a violation of this Policy if manifested and transported as part of a shipment, or used for normal Company operations, including first aid uses (e.g., the possession of prescription or over-the-counter medications containing alcohol). Additionally, at specified Company-sponsored events where alcoholic beverages are served, the possession or use of alcohol does not constitute a violation of this Policy. However, if alcohol is served at a Company-sponsored event, employees are expected to conduct themselves in such a manner so

## **Benton Utilities Personnel Policy and Procedure Manual**

that they do not represent a danger to themselves or other employees, to the public, or the reputation of the Company.

### **Legal Drugs**

Any employee subject to this Policy using any prescription or over-the-counter drug or medication not for therapeutic purposes which is likely to affect the employee's ability to safely perform job-related functions (such as driving a vehicle, standing, lifting, etc.), resulting in a direct threat to the employee or others, shall inform the Company.

The Company may require the employee to furnish to the Company a written statement from the employee's licensed health care provider that the employee is using prescribed medication, but that such use will not limit or impair the employee's abilities to safely perform his or her essential job functions. For the purposes of this Policy, a "direct threat" is a significant risk of substantial harm to the health or safety of the individual or others that cannot be eliminated or reduced by reasonable accommodation. The Safety and Emergency Management Director, with the assistance of the employee's supervisor(s) or management, as needed, reserves the right to contact an appropriate health care provider, to evaluate the situation and make a recommendation regarding the employee's ability to continue working without posing a direct threat.

Any employee who exhibits behaviors while taking a medication, determined by the Company to limit the employee's ability to safely perform the employee's job functions; to induce inappropriate conduct or erratic behavior by the employee; to limit the employee's productivity; to endanger other people or property; or to negatively impact the Company's operations, health, or safety, may be required to remain off work until the employee's behavior is corrected, the employee's use of the medication is discontinued, or another medication is substituted that will not result in these negative effects. The Company at all times reserves the right to have a licensed physician examine an employee under these circumstances.

The Company will not discriminate or retaliate against any employee who can perform his or her essential job functions with or without a reasonable accommodation, including the lawful use of legal drugs such as prescription medication. However, any impairment to an employee during working hours resulting from the use of a legal drug may disqualify the employee from being able to perform his or her job. The Company will make accommodations in compliance with federal and state laws.

### **Medical Marijuana**

Medical marijuana usage under the AMMA is subject to Act 593 of 2017, which restricts employees in safety sensitive positions from performing those duties if a positive test result occurs.

The AMMA notwithstanding, marijuana is classified as a Schedule I controlled substance under the CSA, 21 U.S.C. § 812. The Regulations prohibit MROs from verifying a test performed under this Policy and pursuant to the Regulations as negative based on information that a physician recommended that the employee use a drug listed in Schedule I of the CSA (e.g., under a state law that purports to authorize such recommendations, such as the AMMA), pursuant to 49 C.F.R. § 40.151(e).

If the Company has a "good faith belief," as defined by Act 593, that an employee is under the influence of marijuana or has ingested marijuana in the workplace or elsewhere during working hours – even if taken in accordance with the AMMA – that employee will be required to submit to a drug test for marijuana. For positions that are not safety sensitive as defined by Act 593, a "good

## **Benton Utilities Personnel Policy and Procedure Manual**

faith belief,” as defined in the Act, accompanying a positive test result provides a reasonable basis to constitute a violation of this Policy, and appropriate action will be taken in accordance with this Policy. The Company will not discriminate against applicants or employees who are cardholders

pursuant to the AMMA, but the lawful use of medical marijuana under Arkansas law may disqualify users from safety sensitive job positions and duties.

### **Adulterating or Tampering with a Specimen**

Adulterating or tampering with a substance testing specimen, or attempting to do so, is a violation of this Policy and may constitute a violation of Arkansas law, e.g., Ark. Code Ann. § 5-60-201, Intent to Defraud a Drug or Alcohol Screening Test. These circumstances will normally be classified as a refusal to provide a specimen, and the Company will take appropriate action under this Policy. The Company may also notify appropriate law enforcement officials of possible violations of Arkansas law.

## **POLICY ENFORCEMENT**

### **Searches and Inspections**

The Company possesses the right at all times, while employees are entering, departing, or are on Company premises to conduct unannounced searches and inspections of all Company facilities and properties, and everything on those facilities and properties. All employee personal property on Company premises may be searched. The foregoing notwithstanding, the Company will not search employees' private automobiles merely because they are located on Company property.

Although the Company will normally attempt to notify an employee before conducting a search of an employee's personal effects, searches may be initiated without prior notice and conducted at times and locations as deemed appropriate by the Company.

An employee's refusal to consent to a search when requested by the Company constitutes a violation of this Policy.

### **Substance Abuse Testing**

Under this Policy, the Company will implement pre-employment, reasonable suspicion, random, post-accident, and return to duty or follow-up, or both, testing. Most testing under this Policy will be done while the employee is on duty, immediately prior to going on duty, immediately prior to the employee becoming available to go on duty, or immediately after the employee has ceased performing their job duties.

The Company reserves the right, as a condition of employment or continued employment, to request employees to submit to tests, including, but not necessarily limited to, urine tests, breath tests, saliva tests, blood tests, or other tests or examinations to determine the use of any illegal drugs, alcohol, or the abuse or misuse of any legal drugs prohibited by this Policy, or to determine the employee's fitness for duty ("Test" or "Tests"). The Company may limit the Tests to selected groups of employees, e.g., employees who operate vehicles or those who may have access to controlled substances. These Tests, which may be unannounced, may be utilized under the following circumstances:

## Benton Utilities Personnel Policy and Procedure Manual

- 1) **Pre-employment.** A Test is required of applicants offered a position with the Company as a condition of employment.
- 2) **Post-Accident.** If an employee suffers an on-the-job injury or if an accident or incident occurs in which safety rules and procedures were violated, equipment or property was damaged (including but not limited to automobiles, trucks, and other equipment), careless acts were performed, work disruption occurred, or where the cause was due to an employee or other person's failure to use prescribed personal equipment while working on Company premises or the premises of a customer, the Company may request all of the employees potentially involved to submit to a Test. An employee shall not use alcohol: within eight hours after an accident that requires a post-accident alcohol test, or before taking the required post-accident alcohol test, whichever occurs first.

An employee subject to post-accident testing shall remain readily available for such testing or may be deemed to have refused to submit to testing. Nothing in this section shall require the delay of necessary medical attention for injured persons following an accident or to prohibit an employee from leaving the scene of an accident for a period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

The results of any breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by Federal, State or local officials having independent authority for the test, shall be considered a Test for purposes of this Policy, provided, however, such test conform to the applicable Federal, State or local requirements, and that the results of the test is obtained by the Company.

An employee who is seriously injured and cannot provide a specimen at the time of the accident shall provide the necessary authorization for obtaining hospital reports and documents that would indicate whether there were any controlled substances in their system.

- 1) **Random.** All employees shall be subject to a random Test. A computer program or other bias-free method of employee selection will be used to ensure random selection. Employees under this policy will only be placed in the same random testing pool as employees of the Company subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the DOT and administered by the FMCSA for the purpose of requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a CDL.

Random testing ensures that every employee has an equal chance of being tested. Random Tests are unannounced. The rate for random testing is based on a one- (1) year period, and the unannounced Tests are spread evenly throughout the year on a monthly basis. Random drug testing will be at a fifty percent (50%) annualized rate; random alcohol tests will be at a twenty-five percent (25%) annualized rate.

- 2) **Reasonable Suspicion.** The Company may request an employee or employees to submit to a Test when a supervisor has reasonable suspicion that the employee(s) may be using or under the influence of illegal drugs or alcohol or abusing or misusing legal drugs, or where a supervisor is concerned, and can articulate facts demonstrating that concern, about the employee's safety, the safety of other employees, the safety of the general public, or the risk of damage to property, due to an employee's mental or physical condition or behavior, or for other reasons permitted by law, such as negligence while performing duties affecting performance.

## **Benton Utilities Personnel Policy and Procedure Manual**

Furthermore, the Company may request an employee or employees to submit to a Test when the Company has a reason to believe that specific individuals, or all or portions of groups, shifts, or those at an entire location or work area, are: (i) suspected of being under the influence of, using,

or possessing illegal drugs or alcohol, or possessing drug paraphernalia; (ii) suspected of abusing or misusing legal drugs or alcohol; (iii) when any of these designated items (illegal drugs, alcohol, drug paraphernalia, or legal drugs which is being abused or misused) are found in an area controlled or used exclusively by a designated employee or employees; or (iv) in possession of legal drugs which have not been legally obtained.

- 1) **Return-to-Duty and Follow-Up.** When an employee returns to work from a disabling injury, extended absence, or illness, or upon completion of an approved substance abuse treatment or counseling program, the Company may request the employee to submit to a return-to-duty Test as a condition of reinstatement. The Company may continue to request follow-up Tests, including unannounced Tests, as permitted by applicable law, after reinstatement.

If a Court of Law instructs the Company to return to duty an employee who has violated this Policy, a return-to-duty test is required before the employee is permitted to return to their duties.

- 2) **Additional Testing.** Any Tests conducted in addition to the initial screening test that results in an unacceptable specimen sample or collection, as provided for in this Policy, will be performed at the sole cost of the employee.

### **Consent to Testing**

Each employee/applicant must sign a consent form as part of the testing procedure, which is attached to this Policy. Any employee who refuses to sign a consent form or submit to a Test as requested under the terms of this Policy will be subject to discharge and denial of employment opportunities. Any applicant who refuses to sign a consent form or to submit to a Test under the terms of this Policy may not be considered for employment.

## **SPECIMEN COLLECTION, TESTING PROCEDURES, AND RESULTS**

### **Specimen Collection and Testing Procedure**

#### **Drugs**

**Specimen Collection.** Urinalysis is the method employed for testing for the presence of drugs. Specimen collection requires and the Company provides: (i) a designated collection site; (ii) security for the collection site; (iii) chain of custody documentation; (iv) use of authorized personnel; (v) privacy during collection; (vi) integrity and identity of the specimen; and (vii) transportation to the laboratory. The Company may require observed collection of a specimen if the professional collection specialist believes that the individual providing a specimen may attempt to substitute, tamper with, or adulterate a specimen, or provide a dilute specimen.

Two Tests may be performed: an initial or screening test, and a confirmation test. If the results of the screening test are positive, a confirmation test will be performed to corroborate the results of

# Benton Utilities

## Personnel Policy and Procedure Manual

the screening test.

**Manner of Testing.** Immunoassay screening is used for the initial test of the specimen. If a confirmation test is necessary, the specimen is tested using gas-chromatography/mass spectrometry techniques.

**Split Specimens.** After collection, the single specimen collected is divided into two separate specimen containers prior to the performance of any testing. A Test is performed on a single specimen sample ("primary specimen"). If the Test result of the primary specimen is positive, indicating the presence of illegal drugs, the employee testing positive may, within 72 hours of being notified of the positive Test result of the primary specimen, request that the MRO send the second, untested specimen ("split specimen") to a different certified laboratory for testing. The split specimen will be performed in the same manner as the primary specimen (urinalysis). However, the Test will not require a minimum concentration of the drug metabolite in order to yield a positive result.

**Record Retention.** The Human Resources Department keeps a record in the employee's medical file showing the type of test (pre-employment, periodic, random, etc.), date of the specimen collection, location of specimen collection, entity performing the specimen collection, name of the laboratory, name of the MRO, and the Test results.

### Alcohol

Breath testing will be the method normally employed for testing for the presence of alcohol, but the Company reserves the right to utilize other methods, including those permitted under State and Federal law. A breath specimen will first be obtained from the employee using the EBT, and an initial test will be performed. If the results of the initial test indicate a blood alcohol level ("BAC") of less than 0.02%, no further testing will be required.

When initial test results indicate a blood alcohol level ("BAC") of 0.02% or greater, a confirmation test will be performed after a fifteen (15)-minute waiting period. During the waiting period, the employee may not leave the test site, eat, drink, or smoke. After the waiting period, the confirmation test will be performed using the same EBT and testing procedures as the initial test. If the results of the confirmation test are different from the results of the initial test, the Company will consider the lower of the two test results to determine whether the employee violated this Policy.

Alcohol testing will be done in a site that affords privacy to the employee being tested. Only one breath test will be done at a time, and the person giving the test will not leave the testing site during the test.

### Laboratory

Laboratories performing the specimen testing have been certified by the Substance Abuse and Mental Health Services Administration as having met all of the guidelines established by the Department of Health and Human Services. The drug and alcohol testing Company provides:

- On site collection and alcohol testing.
- Laboratory selection and monitoring.
- Ensuring adherence to DOT standards for drug and alcohol testing and reporting of results.
- Retention of records for five years.
- Random selection of employees for testing.

## **Benton Utilities Personnel Policy and Procedure Manual**

- Electronic reporting of the testing results.
- Selection of an MRO.
- Provision of a quarterly statistical summary in accordance with 49 C.F.R. §40.29(g)(6).

The Company Physician is designated as the secondary collection site for the testing of split specimens under this Policy.

### **Test Results**

**Medical Review Officer.** The Company utilizes the services of an MRO to review Test results. The MRO makes all determinations regarding Test results or results of tests provided by applicants or employees.

**Dilute Specimen.** A dilute specimen is one with creatinine or specific gravity values that are lower than expected for human urine. If a positive test is dilute, the test is treated as a certified positive test. If any negative test is dilute, the Company will take the following action: (i) at the direction of the MRO, an immediate re-collection of an additional employee specimen will be done under direct supervision; (ii) if (i) is not applicable, the Company will direct the employee to immediately take another Test; (iii) such Test shall not be collected under direct supervision unless an independent basis for the use of direct supervisions exists.

**Adulterated or Tampered With Specimens.** If an applicant or employee provides a specimen which the Company believes has been adulterated or tampered with, the Company will classify the situation as a failure to provide a valid specimen. The Company will request a second specimen within six (6) hours of the initial specimen collection or at the end of the employee's shift, whichever is shorter. If an applicant or employee is asked to provide a second specimen and provides a second adulterated or otherwise tampered with specimen, the second specimen will be considered a "positive" result pursuant to this Policy.

**Drugs (Primary Specimen).** A positive test result occurs when the initial screening and the confirmation test indicate the presence of the drug(s) for which the test was conducted at or above the concentration thresholds promulgated by the DOT and set forth in 40 C.F.R. § 40.87, as amended.

A negative test result occurs when either the initial screening or the confirmation test indicates the absence of the drug(s) for which the test was conducted.

**Drugs (Split Specimen).** If an employee requests a Test of the split specimen in accordance with this Policy, a positive result occurs when the Test performed indicates the presence of drugs in the specimen. A negative result occurs when the Test performed indicates the presence of no drugs in the specimen. In a split specimen Test, there is no minimum concentration, or cut off, to the amount of the drug or drug metabolites (measured in NG/ML). The presence of any amount of the drug in the specimen is a positive result.

**Alcohol.** A positive test result occurs when the initial test indicates a BAC of 0.02% or greater and the confirmation test indicates a BAC equal to or greater than 0.04%. A positive test result is a violation of Company policy.

A negative test result occurs when the initial test indicates a BAC of less than 0.02%; and when the initial test indicates a BAC equal to or greater than 0.02% and the confirmation test indicates a BAC less than 0.04%.



## **Benton Utilities Personnel Policy and Procedure Manual**

**Admission of Policy Violations.** An applicant's or employee's admission to conduct or behavior which constitutes a violation of this Policy is considered the same as a violation of this Policy.

Therefore, it may result in disciplinary action up to and including immediate termination. Said decision regarding what actions may be taken is within the sole discretion of the Company.

### **Potential Actions for Violations of this Policy**

**Refusal to Submit to Search or Substance Abuse Testing.** Any applicant or employee who refuses to submit to a search or a Test as described in this Policy will not be permitted to perform or continue to perform duties.

**Random or Pre-employment Testing.** Any applicant or employee who tests positive for illegal drugs may be discharged (employee) or not considered for further employment with the Company. (applicant).<sup>3</sup>

**Sale, Manufacture, Distribution, Transfer, or Purchase (or Any Attempt to Perform Those Acts) of Illegal Drugs While On or Off the Company's Premises.** Any employee discovered selling, manufacturing, distributing, transferring, dispensing, or purchasing illegal drugs, or attempting to perform any of these acts, whether on or off Company premises, will be discharged.

**Conviction of Illegal Drug Offense Other than Those Pursuant to the Federal Drug-Free Workplace Act.** Any employee convicted under federal, state, or local law of any offense relating to illegal drugs may be discharged if the conviction affects the employee's attendance or job performance, damages the Company's reputation, or leads to the reluctance or refusal of co-workers to work with the employee.

**Substitution, Dilution, Adulteration of, or Tampering With Specimens, or Attempt to do the Same.** As stated above, any employee or applicant who has, or has attempted to, degrade, dilute, switch, alter, or tamper with, in any manner, a specimen to be submitted for drug or alcohol testing may be discharged (employee) or not considered for future employment (applicant).

**WARNING:** In Arkansas, adulterating or substituting a specimen, or attempting to do so, is considered a crime.

**Observed Use or Possession of Illegal Drugs (Including Medical Marijuana) While On or Off the Job, and Observed Use, Consumption, or Possession of Alcohol While On the Job.** These circumstances will result in immediate suspension without pay, and the employee may be subjected to further investigation to determine the nature and extent of the employee's involvement with the illegal drug(s) and/or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

---

<sup>3</sup> Refer to Note 2, above, for the definition of a positive drug test result for medical marijuana. Refer to the section on Medical Marijuana under "Prohibited Conduct," above, for the consequences of a positive drug test result for medical marijuana under the AMMA.

## **Benton Utilities Personnel Policy and Procedure Manual**

**Suspected Use, Consumption, or Possession of Illegal Drugs (Including Medical Marijuana<sup>4</sup>) or Alcohol While on the Job, Reasonable Suspicion, or Post-Accident (If Circumstances Warrant Post-Accident Testing).** These circumstances will result in the immediate suspension without pay, and the employee will be subjected to Tests (see the Post-Accident procedure above) and further investigation to determine the nature and extent of the employee's involvement with the

illegal drug or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

**Use of or Unusual Behavior Attributable to Legal Drugs of Which the Company Has Not Been Notified.** These circumstances will result in immediate suspension without pay. The employee may then be subjected to Tests or a medical examination, or both. Assuming a positive confirmation Test result or information suggesting that the employee's use of the legal drug prevents the employee from safely performing the functions of the employee's position, or creates the likelihood of harm to the employee or others, or damage to property, the employee will either be required to remain off work until the situation is corrected, or if that action is not feasible, then the employee will be subject to alternative action, up to and including termination of employment.

**Effect of a Positive Test Result on an Employee's Unemployment Claim.** A positive test result for illegal drugs or alcohol could result in an employee being denied, or receiving reduced, unemployment benefits under Arkansas law.

### **EMPLOYEE VOLUNTARY PARTICIPATION IN A SUBSTANCE ABUSE REHABILITATION PROGRAM**

This portion of the Policy is intended to provide employees with the Company's view toward voluntary participation in a substance abuse rehabilitation program ("Program"). The Company supports employees who recognize their own substance abuse problems and encourages those employees to seek professional help to resolve those problems. Employees who voluntarily come forward seeking help for a drug and/or alcohol abuse problem prior to being selected for an authorized test under this Policy will receive cooperation to:

- Determine benefits available from employee insurance;
- Determine an appropriate leave of absence for resolving the substance abuse problem; and
- Locate a Program.

However, rehabilitation for drug and/or alcohol abuse is not provided by the Company. Every employee is responsible for seeking help before drug and alcohol problems lead to disciplinary action. Employees terminated for violation of this Policy will be provided with information as to where and from whom they can obtain assistance related to drug and/or alcohol abuse.

An employee's voluntary participation in a Program will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary proceeding if an employee seeks voluntary participation in a Program prior to being tested by the Company. However, the employee may be required to execute a Last Chance Agreement and establish that the employee is not a current drug user before being returned to work. Any employee who participates in a Program

---

<sup>4</sup> Refer to Note 2, above, for the definition of a positive drug test result for medical marijuana. Refer to the section on Medical Marijuana under "Prohibited Conduct," above, for the consequences of a positive drug test result for medical marijuana under the AMMA.

## **Benton Utilities Personnel Policy and Procedure Manual**

approved by the Company shall be required, as a condition of employment, to execute a consent form allowing the Company access to the employee's progress and successful completion of the Program. Leaving an approved Program prior to successful completion and release to return to work is a violation of this Policy and will result in termination of employment. Likewise, failure to successfully complete a Program will result in termination of employment. Upon reinstatement, the employee will be subject to routine, random, periodic, intermittent, and/or unannounced Tests following the employee's return to work. Any subsequent violation of this Policy thereafter shall result in termination without the right to reemployment.

Participation in a voluntary Program will not be a defense to the imposition of disciplinary action under this Policy where facts proving a violation of this Policy are obtained outside participation in

a Program. For example, once the Company requests an employee to submit to a Test, the employee cannot refuse and expect the Company to then allow the employee to participate in a Program because the employee will be discharged immediately upon refusal. Accordingly, the purpose and practices of this Policy and participation in a Program are not in conflict. The key is to seek professional assistance when it is needed and before this Policy is violated.

No employee's job will be jeopardized nor will an employee be subject to disciplinary action for voluntarily requesting help due to substance abuse problems. However, any employee participating in a Program will be expected to maintain satisfactory job performance and job attendance (to the extent that the Program recommends the employee return to work). The employee is solely responsible for the costs of a Program.

To the extent practicable, the Company will keep an employee's participation in a Program confidential. When it becomes necessary for an employee to participate in a Program, absences will be handled in accordance with the Company's policies and procedures. The length of time that an employee will be allowed to participate in a Program depends upon applicable laws and the Company's applicable policies.

### **Confidentiality**

All searches, inspections and collection of specimens will be performed with concern for each employee's personal privacy, dignity, and confidentiality. The results of any Test performed under this Policy will be kept confidential and disseminated on a "business need-to-know" basis, or as legally required. Any employee that inappropriately discloses confidential medical information may be subject to discipline, up to and including termination of employment.

The discovery of illegal drugs, legal drugs being abused, misused, or stolen, alcohol, drug-related paraphernalia, stolen property, or other prohibited items may result in the law enforcement authorities being notified, along with the employment consequences set forth in this Policy.

### **Administration**

Any applicant's or employee's violation of any Company policy or procedure during the Company's enforcement or attempted enforcement of this Policy may also be considered a violation of this Policy and may result in disciplinary action up to and including discharge.

The Company will broadly interpret this Policy in a manner to achieve the Policy Objectives contained in this Policy. This Policy may be amended from time to time, as necessary to meet the requirements of federal, state, and local law. The Company reserves the right to modify or amend

## **Benton Utilities Personnel Policy and Procedure Manual**

this Policy with or without advance notice to employees.

To assist you in understanding the requirements placed on the employee or applicant and the Company, the following persons will answer your questions pertaining to this Policy:

- Safety and Emergency Management Director – Office Phone: (501) 450-6067; Cell Phone: (501) 472-6349, if unavailable;
- Safety Coordinator – Office Phone: [501-504-6434](tel:501-504-6434); Cell Phone: (501) 339-0136, if unavailable;
- Human Resources Director – Office Phone: (501) 450-6015; Cell Phone: (501) 730-3658, if unavailable;
- Chief Financial Officer – Telephone No. (501) 450-6031.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **702(b) DRUG AND ALCOHOL ABUSE AND TESTING POLICY FOR EMPLOYEES NOT SUBJECT TO THE RULES AND REGULATIONS PROMULGATED BY THE DEPARTMENT OF TRANSPORTATION (non-DOT employees)**

Effective Date: 11/01/2020

### **PURPOSE**

Benton Utilities and all its subsidiaries and locations (the “Company”) has a longstanding commitment to providing a safe, quality-oriented and productive work environment consistent with the standards of the community in which we operate. An alcohol and drug-free environment is vital to the day-to-day operations of the Company as a supplier of public services and the requirement to provide these services without interruption.

The Company policy is to provide and maintain a workplace and working conditions free from the unauthorized or unlawful manufacture, distribution, dispensing, sale, possession, or use of illegal or illicit drugs and the abuse of controlled substances or alcohol by any employee. Violations of the Drug and Alcohol Abuse and Testing Policy (“Policy”) adversely affects the Company’s goals of providing quality and uninterrupted services to the public and a safe working environment for its employees. Therefore, alcohol and drug abuse are unacceptable and will not be tolerated anywhere the Company employees are at work.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies, and continues to apply, to all employees and all applicants for employment of the Company not subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the Department of Transportation (“DOT”) and administered by the Federal Motor Carrier Safety Administration (“FMCSA”) for the purpose requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a commercial driver’s license (“CDL”). The Company’s Safety and Emergency Management Director, Human Resources Director, or their designee is responsible for administration of the policy.

Employees are expected to report to work in a physical and mental condition that will allow them to perform their assigned tasks in a competent and safe manner. The use, presence in the body, or reporting to work under the influence of alcohol, illegal drugs, misused legal drugs, and other dangerous substances by an employee limits the ability of the employee to exercise good judgment, react properly in unexpected situations, perform tasks safely and efficiently, and endangers not only that employee but other employees, customers, suppliers, contractors, the Company, and the general public. The Company has implemented this Policy to eliminate these problems and to meet the objectives listed below.

Under this Policy, the Company possesses the right to conduct searches and pre-employment, reasonable suspicion, post-accident, random, and return to duty, or follow-up, or both testing. Rather than relying solely upon searches and substance abuse testing to deter substance abuse, however, this Policy also contains provisions designed to encourage employees with substance abuse problems to seek appropriate medical assistance before being tested positive for substances that violate the provisions of this Policy.

# Benton Utilities Personnel Policy and Procedure Manual

## POLICY OBJECTIVES

The objectives of the Policy are:

- 1) To maintain a safe and healthy working environment for our employees, our customers, visitors, vendors, suppliers, contractors, the Company, and the general public.
- 2) To prohibit the unlawful manufacture, distribution, dispersion, possession or use of controlled substances.
- 3) To prevent personal injuries and to protect the property of the Company, our employees, customers, visitors, vendors, suppliers, contractors and the general public.
- 4) To prevent the occurrence of avoidable accidents or harmful incidents, the consequences of which may affect the safety and the future of the Company's operations.
- 5) To minimize absenteeism and tardiness, to improve productivity, and to ensure quality workmanship.
- 6) To protect the reputation of the Company and our employees within the community, industry at large, and among our customers.
- 7) To comply with the contractual obligations of our customers or the requirements of enacted federal, state, and local laws.
- 8) To notify employees that if an injured employee refuses to submit to a test for drugs or alcohol, or tests positive for alcohol or illegal drugs, the employee may be precluded from workers' compensation medical and indemnity benefits, as well as unemployment benefits.
- 9) To encourage employees to seek professional assistance any time personal problems, including alcohol and drug dependency, adversely affect their ability to perform their assignee duties.

## DEFINITIONS

- 1) The term "**Company premises**" is defined as any Company property, offices, facilities, land, buildings, structures, fixtures, installations, automobiles, trucks and all other vehicles and equipment, whether owned, leased, or used by the Company, or Company employees for Company business. Company premises also includes all areas of customer properties which are under the Company's control, or where Company employees are working, or any other work locations or modes of transportation to and from those locations while in the course and scope of Company employment or on Company business.
- 2) The term "**illegal drug**" is defined as drugs, or the synthetic or generic equivalent of drugs, which are illegal under federal, state, or local laws, including but not limited to, marijuana,<sup>5</sup>

---

<sup>5</sup> Medical marijuana usage under the Arkansas Medical Marijuana Act of 2016 ("AMMA") is subject to Act 593 of 2017, which restricts employees in safety sensitive positions from performing duties associated with that position if a positive test result for marijuana occurs. For positions that are not safety sensitive, marijuana use – even in accordance with the Arkansas Medical Marijuana Act – may constitute a violation of this Policy. See the section on Medical Marijuana below for an explanation of when marijuana use constitutes a violation of this Policy.

## Benton Utilities Personnel Policy and Procedure Manual

opioids (including, without limitation, morphine and codeine), cocaine, phencyclidine (PCP), amphetamines (which includes methamphetamines), Ecstasy (MDMA), and any other substance which causes drug-like effects, but which may not necessarily be illegal under applicable laws. It includes: (i) any illegal drugs for which the federal or Arkansas government declares that employers may test; (ii) any legal drug, which is being used in a manner or for a purpose other than as prescribed or labeled, i.e., it specifically includes the abuse of prescription and over-the-counter medication; (iii) the possession of legal drugs which have not been legally obtained, e.g., theft or borrowing from others; and (iv) the use of substances that cause drug-like effects, but which may not necessarily be illegal under applicable laws, for a purpose other than their intended purpose, e.g., it specifically includes the inhalation of intoxicating substances such as nitrous oxide, glue, cleaning products, etc.

- 3) The term “**legal drug**” is defined as any prescribed medications and over-the-counter drugs which have been legally obtained and are being used solely for the purpose for which they were manufactured, labeled, or prescribed.
- 4) The term “**possession**” as used in this Policy: (i) relating to drugs, includes traces of drugs or their metabolites found in the body as a result of a “positive” drug test;<sup>6</sup> (ii) relating to alcohol or intoxicating beverages, includes traces of alcohol or its metabolites found in the body or blood alcohol concentration (“BAC”) or breath alcohol concentration (“BRAC”) at 0.04% or above.<sup>7</sup> Possession also includes, without limitation, the presence of any substance, item, or material located on an employee’s person or with the employee’s personal belongings.
- 5) The term “**drug paraphernalia**” is defined as any unauthorized material or equipment or item used or designed for use in testing, packaging, storing, injecting, ingesting, inhaling, or otherwise introducing an illegal drug, as defined in this Policy, into the human body.
- 6) The term “**EBT**” is defined as an evidential breath-testing device for alcohol, approved by the National Highway Safety Administration.
- 7) The term “**medical review officer**” (“MRO”) is defined as a licensed physician responsible for receiving and reviewing laboratory results generated by an employer’s drug testing program and evaluating explanations for certain drug test results.
- 8) The term “**screening test**” is defined as the initial instant testing conducted at the workplace by on-site collector or at a designated collection facility.

### COVERED EMPLOYEES AND POLICY APPLICATION

This policy applies to all Company employees not subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the DOT and administered by the FMCSA for the purpose requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a CDL. Subject to the foregoing limitation, this means the Policy applies to all regular full-time, part-time, temporary, or probationary employees and to employment applicants and/or transferees. Compliance with the Policy is required as a condition of employment or continued employment with the Company.

---

<sup>6</sup> A positive test result for medical marijuana under Arkansas law means a result that comports with federal Department of Transportation standards or Arkansas DUI/DWI laws, whichever is lower.

<sup>7</sup> The definitions for “alcohol concentration” are found in 49 C.F.R. § 382.107 and Ark. Code Ann. § 5-65-204(a)(1), as amended.

# **Benton Utilities Personnel Policy and Procedure Manual**

To the extent that any provision of this Policy contradicts or is in violation of any federal, state, or local law or regulation, that provision is considered modified to the extent necessary to comply with

the applicable federal, state, or local law or regulation. If a court or agency with appropriate jurisdiction determines that any provision of this Policy is invalid, that determination will not void or invalidate the remaining provisions of this Policy and the Company maintains the right to modify or change this Policy at any time, without notice, as circumstances require.

## **PROHIBITED CONDUCT**

### **Illegal Drugs**

The following acts or conduct constitute violations of this Policy:

- 1) The use or possession of illegal drugs on Company premises or while working for the Company;
- 2) The sale, distribution, purchase, manufacture, or transfer of illegal drugs at any time or place, or the attempt to perform any of these acts; or
- 3) The possession of illegal drug paraphernalia by employees on Company premises or during Company working hours.

### **Alcoholic or Intoxicating Beverages**

The unauthorized use or possession of alcohol or intoxicating beverages on Company premises or during work hours is a violation of this Policy. Additionally, a BAC of 0.04% or above during working time is a violation of this Policy. Any employee with a BAC of 0.04% or greater shall not return to work performing safety sensitive duties until the employee's BAC is 0.02% or less.

Exceptions: The possession of alcohol is not a violation of this Policy if manifested and transported as part of a shipment, or used for normal Company operations, including first aid uses (e.g., the possession of prescription or over-the-counter medications containing alcohol). Additionally, at specified Company-sponsored events where alcoholic beverages are served, the possession or use of alcohol does not constitute a violation of this Policy. However, if alcohol is served at a Company-sponsored event, employees are expected to conduct themselves in such a manner so that they do not represent a danger to themselves or other employees, to the public, or the reputation of the Company.

### **Legal Drugs**

Any employee subject to this Policy using any prescription or over-the-counter drug or medication not for therapeutic purposes which is likely to affect the employee's ability to safely perform job-related functions (such as driving a vehicle, standing, lifting, etc.), resulting in a direct threat to the employee or others, shall inform the Company.

The Company may require the employee to furnish to the Company a written statement from the employee's licensed health care provider that the employee is using prescribed medication, but that such use will not limit or impair the employee's abilities to safely perform his or her essential job functions. For the purposes of this Policy, a "direct threat" is a significant risk of substantial harm to the health or safety of the individual or others that cannot be eliminated or reduced by reasonable



## **Benton Utilities Personnel Policy and Procedure Manual**

accommodation. The Safety and Emergency Management Director, with the assistance of the employee's supervisor(s) or management, as needed, reserves the right to contact an appropriate health care provider, to evaluate the situation and make a recommendation regarding the employee's ability to continue working without posing a direct threat.

Any employee who exhibits behaviors while taking a medication, determined by the Company to limit the employee's ability to safely perform the employee's job functions; to induce inappropriate conduct or erratic behavior by the employee; to limit the employee's productivity; to endanger other people or property; or to negatively impact the Company's operations, health, or safety, may be required to remain off work until the employee's behavior is corrected, the employee's use of the medication is discontinued, or another medication is substituted that will not result in these negative effects. The Company at all times reserves the right to have a licensed physician examine an employee under these circumstances.

The Company will not discriminate or retaliate against any employee who can perform his or her essential job functions with or without a reasonable accommodation, including the lawful use of legal drugs such as prescription medication. However, any impairment to an employee during working hours resulting from the use of a legal drug may disqualify the employee from being able to perform his or her job. The Company will make accommodations in compliance with federal and state laws.

### **Medical Marijuana**

Medical marijuana usage under the Arkansas Medical Marijuana Act ("AMMA") is subject to Act 593 of 2017, which restricts employees in safety sensitive positions from performing those duties if a positive test result occurs. For positions that are safety sensitive as defined by Act 593, a positive test result constitutes a violation of this Policy, and appropriate action will be taken in accordance with this Policy. Likewise, if the Company has a "good faith belief," as defined by Act 593, that an employee is under the influence of marijuana or has ingested marijuana in the workplace or elsewhere during working hours – even if taken in accordance with the AMMA – that employee will be required to submit to a drug test for marijuana. For positions that are not safety sensitive as defined by Act 593, a "good faith belief," as defined in the Act, accompanying a positive test result provides a reasonable basis to constitute a violation of this Policy, and appropriate action will be taken in accordance with this Policy. The Company will not discriminate against applicants or employees who are cardholders pursuant to the AMMA, but the lawful use of medical marijuana under Arkansas law may disqualify users from safety sensitive job positions and duties.

### **Adulterating or Tampering with a Specimen**

Adulterating or tampering with a substance testing specimen, or attempting to do so, is a violation of this Policy and may constitute a violation of Arkansas law, e.g., Ark. Code Ann. § 5-60-201, Intent to Defraud a Drug or Alcohol Screening Test. These circumstances will normally be classified as a refusal to provide a specimen, and the Company will take appropriate action under this Policy. The Company may also notify appropriate law enforcement officials of possible violations of Arkansas law.

## **POLICY ENFORCEMENT**

### **Searches and Inspections**

The Company possesses the right at all times, while employees are entering, departing, or are on

## **Benton Utilities Personnel Policy and Procedure Manual**

Company premises to conduct unannounced searches and inspections of all Company facilities and properties, and everything on those facilities and properties. All employee personal property on Company premises may be searched. The foregoing notwithstanding, the Company will not search employees' private automobiles merely because they are located on Company property.

Although the Company will normally attempt to notify an employee before conducting a search of an employee's personal effects, searches may be initiated without prior notice and conducted at times and locations as deemed appropriate by the Company.

An employee's refusal to consent to a search when requested by the Company constitutes a violation of this Policy.

### **Substance Abuse Testing**

Under this Policy, the Company will implement pre-employment, reasonable suspicion, random, post-accident, and return to duty or follow-up, or both, testing. Most testing under this Policy will be done while the employee is on duty, immediately prior to going on duty, immediately prior to the employee becoming available to go on duty, or immediately after the employee has ceased performing their job duties.

The Company reserves the right, as a condition of employment or continued employment, to request employees to submit to tests, including, but not necessarily limited to, urine tests, breath tests, saliva tests, blood tests, or other tests or examinations to determine the use of any illegal drugs, alcohol, or the abuse or misuse of any legal drugs prohibited by this Policy, or to determine the employee's fitness for duty ("Test" or "Tests"). The Company may limit the Tests to selected groups of employees, e.g., employees who operate vehicles or those who may have access to controlled substances. These Tests, which may be unannounced, may be utilized under the following circumstances:

- 1) **Pre-employment.** A Test is required of applicants offered a position with the Company as a condition of employment.
- 2) **Post-Accident.** If an employee suffers an on-the-job injury or if an accident or incident occurs in which safety rules and procedures were violated, equipment or property was damaged (including but not limited to automobiles, trucks, and other equipment), careless acts were performed, work disruption occurred, or where the cause was due to an employee or other person's failure to use prescribed personal equipment while working on Company premises or the premises of a customer, the Company may request all of the employees potentially involved to submit to a Test. An employee shall not use alcohol: within eight hours after an accident that requires a post-accident alcohol test, or before taking the required post-accident alcohol test, whichever occurs first.

An employee subject to post-accident testing shall remain readily available for such testing or may be deemed to have refused to submit to testing. Nothing in this section shall require the delay of necessary medical attention for injured persons following an accident or to prohibit an employee from leaving the scene of an accident for a period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

The results of any breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by Federal, State or local officials having independent authority for the test, shall be considered a Test for purposes of this Policy, provided, however, such test conform to the

## **Benton Utilities Personnel Policy and Procedure Manual**

applicable Federal, State or local requirements, and that the results of the test is obtained by the Company.

An employee who is seriously injured and cannot provide a specimen at the time of the accident shall provide the necessary authorization for obtaining hospital reports and documents that would indicate whether there were any controlled substances in their system.

- 3) **Random.** All employees shall be subject to a random Test. A computer program or other bias-free method of employee selection will be used to ensure random selection. Employees under this policy will never be placed in the same random testing pool as employees of the Company subject to subject to Parts 40 and 382 of Title 49 of the Code of Federal Regulations, promulgated by the DOT and administered by the FMCSA for the purpose of requiring and defining drug and alcohol testing rules and regulations for employees who drive commercial trucks and buses that require a CDL.
- 4) **Reasonable Suspicion.** The Company may request an employee or employees to submit to a Test when a supervisor has reasonable suspicion that the employee(s) may be using or under the influence of illegal drugs or alcohol or abusing or misusing legal drugs, or where a supervisor is concerned, and can articulate facts demonstrating that concern, about the employee's safety, the safety of other employees, the safety of the general public, or the risk of damage to property, due to an employee's mental or physical condition or behavior, or for other reasons permitted by law, such as negligence while performing duties affecting performance.

Furthermore, the Company may request an employee or employees to submit to a Test when the Company has a reason to believe that specific individuals, or all or portions of groups, shifts, or those at an entire location or work area, are: (i) suspected of being under the influence of, using, or possessing illegal drugs or alcohol, or possessing drug paraphernalia; (ii) suspected of abusing or misusing legal drugs or alcohol; (iii) when any of these designated items (illegal drugs, alcohol, drug paraphernalia, or legal drugs which is being abused or misused) are found in an area controlled or used exclusively by a designated employee or employees; or (iv) in possession of legal drugs which have not been legally obtained.

- 5) **Return-to-Duty and Follow-Up.** When an employee returns to work from a disabling injury, extended absence, or illness, or upon completion of an approved substance abuse treatment or counseling program, the Company may request the employee to submit to a return-to-duty Test as a condition of reinstatement. The Company may continue to request follow-up Tests, including unannounced Tests, as permitted by applicable law, after reinstatement.
- 6) **Additional Testing.** Any Tests conducted in addition to the initial screening test that results in an unacceptable specimen sample or collection, as provided for in this Policy, will be performed at the sole cost of the employee.

### **Consent to Testing**

Each employee/applicant must sign a consent form as part of the testing procedure, which is attached to this Policy. Any employee who refuses to sign a consent form or submit to a Test as requested under the terms of this Policy will be subject to discharge and denial of employment opportunities. Any applicant who refuses to sign a consent form or to submit to a Test under the terms of this Policy may not be considered for employment.

# Benton Utilities Personnel Policy and Procedure Manual

## SPECIMEN COLLECTION, TESTING PROCEDURES, AND RESULTS

### Specimen Collection and Testing Procedure

#### Drugs

**Specimen Collection.** Urinalysis is the method normally employed for testing for the presence of drugs, but the Company reserves the right to utilize other methods. The Company may require observed collection of a specimen if the professional collection specialist believes that the individual providing a specimen may attempt to substitute, tamper with, or adulterate a specimen, or provide a dilute specimen.

If the results of the screening test are positive, a confirmation test will be performed to corroborate the results of the screening test. The results of the confirmation test are controlling.

**Manner of Testing.** Immunoassay screening is used for the initial test of the specimen. If a confirmation test is necessary, the specimen is tested using gas-chromatography/mass spectrometry techniques.

**Split Specimens.** After collection, the single specimen collected is divided into two separate specimen containers prior to the performance of any testing. A Test is performed on a single specimen sample ("primary specimen"). If the Test result of the primary specimen is positive, indicating the presence of illegal drugs, the employee testing positive may, within 72 hours of being notified of the positive Test result of the primary specimen, request that the MRO send the second, untested specimen ("split specimen") to a different certified laboratory for testing. The split specimen will be performed in the same manner as the primary specimen (urinalysis). However, the Test will not require a minimum concentration of the drug metabolite in order to yield a positive result.

**Record Retention.** The Human Resources Department keeps a record in the employee's medical file showing the type of test (pre-employment, periodic, random, etc.), date of the specimen collection, location of specimen collection, entity performing the specimen collection, name of the laboratory, name of the MRO, and the Test results.

#### Alcohol

Breath testing will be the method normally employed for testing for the presence of alcohol, but the Company reserves the right to utilize other methods, including those permitted under State and Federal law. A breath specimen will first be obtained from the employee using the EBT, and an initial test will be performed. If the results of the initial test indicate a blood alcohol level ("BAC") of less than 0.02%, no further testing will be required.

When initial test results indicate a blood alcohol level ("BAC") of 0.02% or greater, a confirmation test will be performed after a fifteen (15)-minute waiting period. During the waiting period, the employee may not leave the test site, eat, drink, or smoke. After the waiting period, the confirmation test will be performed using the same EBT and testing procedures as the initial test. If the results of the confirmation test are different from the results of the initial test, the Company will consider the lower of the two test results to determine whether the employee violated this Policy.

Alcohol testing will be done in a site that affords privacy to the employee being tested. Only one breath test will be done at a time, and the person giving the test will not leave the testing site during

# Benton Utilities

## Personnel Policy and Procedure Manual

the test.

### Test Results

**Medical Review Officer.** The Company utilizes the services of an MRO to review Test results. The MRO makes all determinations regarding Test results or results of tests provided by applicants or employees.

**Dilute Specimen.** A dilute specimen is one with creatinine or specific gravity values that are lower than expected for human urine. A dilute specimen is not a valid specimen and will not be accepted for testing. If an applicant or employee provides a dilute specimen, the Company will require the applicant or employee to provide a specimen that is not diluted within six (6) hours of the initial specimen collection or the end of the employee's shift, whichever is shorter. Upon failure or refusal to provide a non-dilute specimen, the Company will classify the dilute specimen as a positive test result and apply appropriate disciplinary action, up to and including termination of employment (employee) and refusal to further consider for employment (applicant). If an applicant or employee is asked to provide a second specimen and provides a second dilute specimen, the second dilute specimen will be considered a "positive" result pursuant to this Policy.

**Adulterated or Tampered With Specimens.** If an applicant or employee provides a specimen which the Company believes has been adulterated or tampered with, the Company will classify the situation as a failure to provide a valid specimen. The Company will request a second specimen within six (6) hours of the initial specimen collection or at the end of the employee's shift, whichever is shorter. If an applicant or employee is asked to provide a second specimen and provides a second adulterated or otherwise tampered with specimen, the second specimen will be considered a "positive" result pursuant to this Policy.

**Drugs (Primary Specimen).** A positive test result occurs when the initial screening and the confirmation test indicate the presence of the drug(s) for which the test was conducted at or above the concentration thresholds promulgated by the DOT and set forth in 40 C.F.R. § 40.87, as amended.

A negative test result occurs when either the initial screening or the confirmation test indicates the absence of the drug(s) for which the test was conducted.

**Drugs (Split Specimen).** If an employee requests a Test of the split specimen in accordance with this Policy, a positive result occurs when the Test performed indicates the presence of drugs in the specimen. A negative result occurs when the Test performed indicates the presence of no drugs in the specimen. In a split specimen Test, there is no minimum concentration, or cut off, to the amount of the drug or drug metabolites (measured in NG/ML). The presence of any amount of the drug in the specimen is a positive result.

**Alcohol.** A positive test result occurs when the initial test indicates a BAC of 0.02% or greater and the confirmation test indicates a BAC equal to or greater than 0.04%. A positive test result is a violation of Company policy.

A negative test result occurs when the initial test indicates a BAC of less than 0.02%; and when the initial test indicates a BAC equal to or greater than 0.02% and the confirmation test indicates a BAC less than 0.04%.

**Admission of Policy Violations.** An applicant's or employee's admission to conduct or behavior which constitutes a violation of this Policy is considered the same as a violation of this Policy.

## **Benton Utilities Personnel Policy and Procedure Manual**

Therefore, it may result in disciplinary action up to and including immediate termination. Said decision regarding what actions may be taken is within the sole discretion of the Company.

### **Potential Actions for Violations of this Policy**

**Refusal to Submit to Search, Inspection, or Substance Abuse Testing.** Any applicant or employee who refuses to submit to a search, inspection, or a Test as described in this Policy will be discharged (employee) or not considered for further employment with the Company (applicant).

**Random or Pre-employment Testing.** Any applicant or employee who tests positive for illegal drugs may be discharged (employee) or not considered for further employment with the Company (applicant).<sup>8</sup>

**Sale, Manufacture, Distribution, Transfer, or Purchase (or Any Attempt to Perform Those Acts) of Illegal Drugs While On or Off the Company's Premises.** Any employee discovered selling, manufacturing, distributing, transferring, dispensing, or purchasing illegal drugs, or attempting to perform any of these acts, whether on or off Company premises, will be discharged.

**Conviction of Illegal Drug Offense Other than Those Pursuant to the Federal Drug-Free Workplace Act.** Any employee convicted under federal, state, or local law of any offense relating to illegal drugs may be discharged if the conviction affects the employee's attendance or job performance, damages the Company's reputation, or leads to the reluctance or refusal of co-workers to work with the employee.

**Substitution, Dilution, Adulteration of, or Tampering With Specimens, or Attempt to do the Same.** As stated above, any employee or applicant who has, or has attempted to, degrade, dilute, switch, alter, or tamper with, in any manner, a specimen to be submitted for drug or alcohol testing may be discharged (employee) or not considered for future employment (applicant).

**WARNING: In Arkansas, adulterating or substituting a specimen, or attempting to do so, is considered a crime.**

**Observed Use or Possession of Illegal Drugs (Including Medical Marijuana) While On or Off the Job, and Observed Use, Consumption, or Possession of Alcohol While On the Job.** These circumstances will result in immediate suspension without pay, and the employee may be subjected to further investigation to determine the nature and extent of the employee's involvement with the illegal drug(s) and/or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

**Suspected Use, Consumption, or Possession of Illegal Drugs (Including Medical Marijuana<sup>9</sup>) or Alcohol While on the Job, Reasonable Suspicion, or Post-Accident (If Circumstances Warrant Post-Accident Testing).** These circumstances will result in the immediate suspension without pay, and the employee will be subjected to Tests (see the Post-Accident procedure above) and further investigation to determine the nature and extent of the employee's involvement with the

---

<sup>8</sup> Refer to Note 2, above, for the definition of a positive drug test result for medical marijuana. Refer to the section on Medical Marijuana under "Prohibited Conduct," above, for the consequences of a positive drug test result for medical marijuana under the AMMA.

<sup>9</sup> Refer to Note 2, above, for the definition of a positive drug test result for medical marijuana. Refer to the section on Medical Marijuana under "Prohibited Conduct," above, for the consequences of a positive drug test result for medical marijuana under the AMMA.

## **Benton Utilities Personnel Policy and Procedure Manual**

illegal drug or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

**Use of or Unusual Behavior Attributable to Legal Drugs of Which the Company Has Not Been Notified.** These circumstances will result in immediate suspension without pay. The employee may then be subjected to Tests or a medical examination, or both. Assuming a positive confirmation Test result or information suggesting that the employee's use of the legal drug prevents the employee from safely performing the functions of the employee's position, or creates the likelihood of harm to the employee or others, or damage to property, the employee will either be required to remain off

work until the situation is corrected, or if that action is not feasible, then the employee will be subject to alternative action, up to and including termination of employment.

**Effect of a Positive Test Result on an Employee's Unemployment Claim.** A positive test result for illegal drugs or alcohol could result in an employee being denied, or receiving reduced, unemployment benefits under Arkansas law.

### **EMPLOYEE VOLUNTARY PARTICIPATION IN A SUBSTANCE ABUSE REHABILITATION PROGRAM**

This portion of the Policy is intended to provide employees with the Company's view toward voluntary participation in a substance abuse rehabilitation program ("Program"). The Company supports employees who recognize their own substance abuse problems and encourages those employees to seek professional help to resolve those problems. Employees who voluntarily come forward seeking help for a drug and/or alcohol abuse problem prior to being selected for an authorized test under this Policy will receive cooperation to:

- Determine benefits available from employee insurance;
- Determine an appropriate leave of absence for resolving the substance abuse problem; and
- Locate a Program.

However, rehabilitation for drug and/or alcohol abuse is not provided by the Company. Every employee is responsible for seeking help before drug and alcohol problems lead to disciplinary action. Employees terminated for violation of this Policy will be provided with information as to where and from whom they can obtain assistance related to drug and/or alcohol abuse.

An employee's voluntary participation in a Program will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary proceeding if an employee seeks voluntary participation in a Program prior to being tested by the Company. However, the employee may be required to execute a Last Chance Agreement and establish that the employee is not a current drug user before being returned to work. Any employee who participates in a Program approved by the Company shall be required, as a condition of employment, to execute a consent form allowing the Company access to the employee's progress and successful completion of the Program. Leaving an approved Program prior to successful completion and release to return to work is a violation of this Policy and will result in termination of employment. Likewise, failure to successfully complete a Program will result in termination of employment. Upon reinstatement, the employee will be subject to routine, random, periodic, intermittent, and/or unannounced Tests following the employee's return to work. Any subsequent violation of this Policy thereafter shall result in termination without the right to reemployment.

## **Benton Utilities Personnel Policy and Procedure Manual**

Participation in a voluntary Program will not be a defense to the imposition of disciplinary action under this Policy where facts proving a violation of this Policy are obtained outside participation in a Program. For example, once the Company requests an employee to submit to a Test, the employee cannot refuse and expect the Company to then allow the employee to participate in a Program because the employee will be discharged immediately upon refusal. Accordingly, the purpose and practices of this Policy and participation in a Program are not in conflict. The key is to seek professional assistance when it is needed and before this Policy is violated.

No employee's job will be jeopardized nor will an employee be subject to disciplinary action for voluntarily requesting help due to substance abuse problems. However, any employee participating in a Program will be expected to maintain satisfactory job performance and job attendance (to the extent that the Program recommends the employee return to work). The employee is solely responsible for the costs of a Program.

To the extent practicable, the Company will keep an employee's participation in a Program confidential. When it becomes necessary for an employee to participate in a Program, absences will be handled in accordance with the Company's policies and procedures. The length of time that an employee will be allowed to participate in a Program depends upon applicable laws and the Company's applicable policies.

### **Confidentiality**

All searches, inspections and collection of specimens will be performed with concern for each employee's personal privacy, dignity, and confidentiality. The results of any Test performed under this Policy will be kept confidential and disseminated on a "business need-to-know" basis, or as legally required. Any employee that inappropriately discloses confidential medical information may be subject to discipline, up to and including termination of employment.

The discovery of illegal drugs, legal drugs being abused, misused, or stolen, alcohol, drug-related paraphernalia, stolen property, or other prohibited items may result in the law enforcement authorities being notified, along with the employment consequences set forth in this Policy.

### **Administration**

Any applicant's or employee's violation of any Company policy or procedure during the Company's enforcement or attempted enforcement of this Policy may also be considered a violation of this Policy and may result in disciplinary action up to and including discharge.

The Company will broadly interpret this Policy in a manner to achieve the Policy Objectives contained in this Policy. This Policy may be amended from time to time, as necessary to meet the requirements of federal, state, and local law. The Company reserves the right to modify or amend this Policy with or without advance notice to employees.

To assist you in understanding the requirements placed on the employee or applicant and the Company, the following persons will answer your questions pertaining to this Policy:

- Human Resources Director – Office Phone: (501) 776-6951, ext. 1321.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **703 Sexual and Other Unlawful Harassment**

Effective Date: 11/01/2020

Benton Utilities is committed to a workplace that is free of discrimination and harassment by any supervisor, employee, customer or vendor based on race, color, religion, age, gender, national origin, disability, veteran status, genetic information, or any other basis protected by federal, state or local laws. In an effort to prevent such illegal harassment or discrimination from occurring, we will communicate this policy to every employee. Harassment of any kind is strictly prohibited. Also, harassment of a customer or vendor by any employee of the Company is strictly prohibited. No employee of the Company is exempt from this policy.

### **EXAMPLES OF MISCONDUCT**

Discrimination or harassment based on race, color, religion, age, gender, national origin, disability, veteran status, genetic information, or any other legally protected status is considered a form of employee misconduct. Examples of such misconduct may include, but are not limited to:

- A request or demand for sexual favors accompanied by a threat concerning an individual's employment status or a promise of preferential treatment;
- Physical contact such as assault, blocking normal movement, unnecessary and unwelcome touching of an individual, for example, patting, pinching, hugging, repeatedly brushing against another individual's body;
- Repeated unwanted sexual flirtations, advances or propositions;
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Offensive or sexually graphic jokes, comments, slurs, e-mail, memos, faxes, posters, cartoons, pictures, objects, or gestures.

Disciplinary action, up to and including termination, may be taken against any employee engaging in this type of behavior. Disciplinary action may also be taken against an employee who in bad faith makes a false or dishonest claim of harassment or discrimination. Any supervisor or manager who has knowledge of such behavior yet fails to take appropriate action is also subject to discipline.

### **REPORTING COMPLAINTS**

Any employee who believes he or she is being discriminated against or harassed should report it immediately to his or her direct supervisor or the human resources department. Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the human resources department or any member of management so it can be investigated in a timely and confidential manner. Appropriate management personnel will immediately investigate the complaint, make a determination of its conclusion and when appropriate, prepare a plan of action to correct the problem and prevent reoccurrence. All

employees are expected to cooperate fully in such investigations. To the extent possible, all internal investigations and/or actions taken to resolve complaints of harassment shall be conducted confidentially. The Company shall inform the complaining employee of its determination.

## **Benton Utilities Personnel Policy and Procedure Manual**

### **NON-RETALIATION**

Under no circumstances will an employee be penalized for reporting what the employee believes in good faith to be harassment under this policy. If an employee believes that he or she is being retaliated against for bringing a complaint of harassment or discrimination, such conduct should be reported immediately to the employee's direct supervisor or to the human resources department. Any employee found to have engaged in retaliation against an employee who has registered a complaint under this procedure will be subject to disciplinary action up to and including termination. Any employee found to have made a false report of harassment will be subject to disciplinary action, up to and including termination.

### **TRAINING**

Benton Utilities Human Resources department will administer and track completion of training on prevention of sexual harassment and discrimination. Training will be provided to employees within the first 6 months of employment, and on a periodic basis after initial training.

This training is mandatory for all employees.

Employees with questions about the policy should contact their supervisor or the Human Resources department. The success of our policy depends, in significant part, upon the understanding and cooperation of all our employees. Therefore, employees will be asked to sign an acknowledgment of this policy.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **704 Attendance and Punctuality**

Effective Date: 11/01/2020

Employees are hired to perform important functions at Benton Utilities. As with any group effort, operating effectively takes cooperation and commitment from everyone. To maintain a safe and productive work environment, Benton Utilities expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on Benton Utilities.

In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence. Unless an employee is absolutely unable to contact his or her supervisor personally due to a medical condition, employees who have an unexpected need to be late or absent from work should personally notify their direct supervisor no later than the scheduled start of their workday. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should communicate and state the nature of the illness or absence and its expected duration, for every day of absenteeism. The direct supervisor must also be personally contacted no later than the scheduled start of each subsequent workday of unexpected absence. Should the direct supervisor be unavailable the employee must report to the next highest level of management.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

Unreported absences of three (3) consecutive work days generally will be considered a voluntary resignation of employment with the Benton Utilities.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **705 Personal Appearance**

Effective Date: 11/01/2020

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image Benton Utilities presents to customers and visitors.

During business hours or when representing Benton Utilities, you are expected to present a clean, neat, and professional appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with customers or visitors in person.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

Without unduly restricting individual tastes, the following personal appearance guidelines should be followed:

- Shoes must provide safe, secure footing, and offer protection against hazards.
- Suggestive attire, tank tops, tube or halter tops may not be worn under any circumstances.
- Clothing worn in a manner that exposes skin and/or undergarments between the bottom of the shirt and the top of the pants/skirt is not professionally appropriate and must not be worn at work or while on Benton Utilities business.
- Mustaches and beards must be clean, well-trimmed, and neat.
- Hairstyles are expected to be in good taste.
- Poor personal hygiene is not acceptable.
- Perfume, cologne, and aftershave lotion should be used moderately or avoided altogether, as some individuals may be sensitive to strong fragrances.
- Jewelry should not be functionally restrictive, dangerous to job performance, or excessive.
- Facial jewelry, such as eyebrow rings, nose rings, lip rings, and tongue studs, is not professionally appropriate and must not be worn at work or while on Benton Utilities business.
- Torso body piercings with visible jewelry or jewelry that can be seen through or under clothing must not be worn at work or while on Benton Utilities business.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **706 Return of Property and Access**

Effective Date: 11/01/2020

### **Return of Property:**

Employees are responsible for items issued to them by Benton Utilities or in their possession or control, such as the following:

- keys
- identification badges
- vehicles
- gasoline cards
- credit cards
- tools and equipment
- personal protective equipment
- electronic devices, including but not limited to laptop computers, tablets, flash drives, etc.
- communication devices, including but not limited to cellular phones, 2-way radios, etc.
- written materials
- uniforms

### **Disclosure of Access:**

Employees are responsible for disclosing to the manager any passwords, Personal Identification Numbers (PINs) or codes necessary to access Benton Utilities software, systems, properties or website logins required to conduct Benton Utilities business. All Benton Utilities property, access passwords, PINs and/or codes must be returned by employees on or before their last day of work. Where permitted by applicable laws, Benton Utilities may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. Benton Utilities may also take all action deemed appropriate to recover or protect its property.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **708 Resignation**

Effective Date: 11/01/2020

Resignation is a voluntary act initiated by the employee to terminate employment with Benton Utilities. Although advance notice is not required, Benton Utilities requests at least 2 weeks' written resignation notice from all employees.

Notice of resignation may be provided verbally or in writing to an employee's supervisor.

After receiving notice of resignation, the supervisor must:

- Immediately notify the Human Resources Director or designee as soon as possible, and forward the employee's notice of resignation to HR Department. If notice of resignation was given verbally, the Human Resources Director or designee will forward a written resignation form for the employee to sign.
- Complete all close-out procedures listed on the Employee Separation Checklist, available from the Human Resources Director.

Human Resources Director or designee will notify Accounting to ensure timely processing of the employee's final paycheck.

Prior to an employee's departure, the Human Resources Director or designee may invite the employee to complete an exit interview or take similar steps to understand the employee's reasons for resigning, and the effect of resignation on benefits. Employees are welcome to contact HR Department to request an exit interview

If an employee does not provide advance notice as requested, the employee may be considered ineligible for rehire.

Benton Utilities, at its own discretion, may choose to dismiss an employee immediately upon receiving notice of resignation, depending on sensitive nature of job, circumstances of resignation, or other reasons.

# Benton Utilities

## Personnel Policy and Procedure Manual

### 709 Possession of Weapons on Company Property

Effective Date: 11/01/2020

Ensuring a safe work environment and the prevention of workplace violence is of paramount importance to our Company. Weapons inside the workplace pose a potential threat to the safety and security of our employees and others. Firearms of any type are strictly prohibited at all times inside Company or non-Company facilities, inside a Company owned or leased vehicle or while you are engaged in the work or business of the Company.

Benton Utilities does not restrict an employee from transporting or storing lawfully possessed firearms in the employee's **privately-owned** vehicle while the vehicle is in Company designated parking areas. However, such weapons may not be removed from an employee's vehicle while on Company property. To transport or store a lawfully possessed firearm in the employee's **privately-owned** vehicle while the vehicle is in Company designated parking areas, **all** of the following conditions must be met:

1. The employee's vehicle is operated or parked where permitted; and
2. The firearm is either:
  - a. kept inside the vehicle and out of sight, while the employee is attending the vehicle; or
  - b. while the employee is not attending the vehicle, the firearm is kept out of sight, inside a locked gun storage container, or in a compartment or container securely affixed to the vehicle; and
3. The firearm is unloaded at all times; and
  - a. The employee has not been convicted of any crime of violence, nor is subject to a Domestic Violence Order, as those terms are defined by law; and
  - b. The employee has no prior documented incidents of workplace threats or violence; and
  - c. The employee has not been committed to a psychiatric hospital or similar treatment facility for inpatient or outpatient treatment.

Employees who do not meet all of the above requirements are prohibited from having a firearm in a vehicle on Company property.

If it is found that the employee is not in compliance with the law and Company policy, the employee may be subject to disciplinary action, up to and including termination.

#### **Other Weapons**

To further ensure a safe working environment, weapons of any type, including, but not limited to bows, crossbows, stun guns, fighting weapons *i.e.*, num-chuks, daggers, etc., brass knuckles are strictly prohibited inside a Company building or leased office space, on Company property, inside a Company-owned vehicle, or while conducting Company business, on or offsite. An employee violating this policy may be subject to disciplinary action, up to and including termination.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **710 Security Inspections**

Effective Date: 11/01/2020

Benton Utilities is committed to maintaining a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, Benton Utilities prohibits the possession, transfer, sale, or use of such materials on its premises. Benton Utilities requires the cooperation of all employees in administering this policy.

Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of Benton Utilities. Benton Utilities cannot be responsible for any personal property left in the desks, lockers or other storage devices.

Benton Utilities, with appropriate Officer approval, reserves the right to conduct searches to monitor compliance with rules concerning safety of employees, security of Company and individual property, drugs and alcohol, and possession of other prohibited items. "Prohibited items" includes illegal drugs, alcoholic beverages, prescription drugs or medications not used or possessed in compliance with a current valid prescription, weapons, any items of an obscene, harassing, demeaning, or violent nature, and any property in the possession or control of an employee who does not have authorization from the owner of such property.

In addition to Company premises, Benton Utilities with appropriate Officer approval, and in accordance with applicable law, may search employees, their work areas, lockers, personal vehicles if driven or parked on Company property, and other personal items such as bags, purses, briefcases, backpacks, lunch boxes, and other containers. In requesting a search, the Company is by no means accusing anyone of theft, some other crime, or any other variety of improper conduct.

There is no general or specific expectation of privacy in the workplace of Benton Utilities, either on the premises of the Company or while on duty. In general, employees should assume that what they do while on duty or on the Company premises is not private. All employees and all of the areas listed above are subject to search at any time; if an employee uses a locker or other storage area at work, including a locking desk drawer or locking cabinet, the Company will either furnish the lock and keep a copy of the key or combination, or else allow the employee to furnish a personal lock, but the employee must give the Company a copy of the key or combination. The areas in question may be searched at any time, with or without the employee being present. As a general rule, with the exception of items relating to personal hygiene or health, no employee should ever bring anything to work or store anything at work that he or she would not be prepared to show and possibly turn over to Company officials and/or law enforcement authorities.

All employees of Benton Utilities are subject to this policy. However, any given search may be restricted to one or more specific individuals, depending upon the situation. Any search under this policy will be done in a manner protecting employees' privacy, confidentiality, and personal dignity to the greatest extent possible.

No employee will ever be physically forced to submit to a search. However, an employee who refuses to submit to a search request from the Company based on reasonable suspicion may face disciplinary action, up to and possibly including termination of employment.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **712 Solicitation**

Effective Date: 11/01/2020

Benton Utilities' policy on solicitation is intended to avoid disruption of business operations, and for the safety and privacy of employees and customers. This policy applies to all Company buildings and facilities.

Only Company sponsored and management approved solicitations of employees are permitted. The process for conducting any solicitation will be provided by the General Manager/Chief Executive Officer, Human Resources Director, or his/her designee.

Benton Utilities recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time or in work areas at any time. (Working time does not include lunch periods, work breaks, or any other periods in which employees are not on duty.) Solicitations undertaken by a Benton Utilities employee must not disrupt another employee's work assignments.

Persons not employed by the Company or not engaged in Company-related business are not permitted to make solicitations, sell goods, take orders or distribute literature on Company property.

### **Non-Profit Organizations**

Benton Utilities recognizes the value of charitable organizations and encourages employees to be active participants in organizations that support or contribute to the community. With the exception of Company-authorized charitable giving campaigns such as the United Way, any charitable organization that wishes to solicit funds for a charitable donation must be sponsored by an employee.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **716 Disciplinary Procedure**

Effective Date: 11/01/2020

It is the policy of the Company to encourage and assist each employee to develop their performance to the highest possible level. Occasionally, work-related problems develop requiring frank communication and explicit efforts to accomplish a satisfactory resolution. Disciplinary procedures designed to help the employee meet Company work standards are invoked when necessary. The purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future, while ensuring fair treatment of all employees, making certain that disciplinary actions are prompt, uniform and impartial.

The normal disciplinary steps are:

1. Verbal warning
2. Written warning
3. Disciplinary probation
4. Suspension
5. Termination

Though the listing of the above steps implies that each one must occur in the order shown, that is not the policy. The nature of the employee's problem and its severity determine which disciplinary step(s) will be taken. Generally, the process of progressive discipline will follow the step-by-step pattern as shown. However, there may be circumstances when one or more steps are bypassed. There are certain types of employee problems that are serious enough to justify either a suspension, or, in certain situations, termination of employment, even for a first offense, without going through the usual progressive discipline steps. The level of discipline given to an employee for any particular offense or incident will be determined in the sole, absolute and unfettered discretion of Benton Utilities.

### **PROGRESSIVE DISCIPLINARY PROCEDURE - IF USED**

1. When an employee's job performance, attendance, personal conduct or attitude does not meet Company standards, the employee is counseled and provided a reasonable time to show improvement. This constitutes a verbal warning. The supervisor should make a written note of the conversation and place it in his incident file.
2. If the employee does not correct the problem for which the verbal warning was given, a written warning is completed. This is a memorandum addressed to the employee which outlines the problem area(s) and the time frame in which correction is expected to occur. It is to be dated and signed by both the supervisor and the employee and sent to the Human Resources Department to be placed in the employee's file. A copy is provided to the employee.

## **Benton Utilities Personnel Policy and Procedure Manual**

3. If the deficiencies are not corrected within the allotted time, the next step is disciplinary probation. The probation includes:
  - a. Proposed duration of the probation. This is subject to the approval of the General Manager/Chief Executive Officer.
  - b. Withdrawal of benefits as listed:
    - Salary review
    - Paid Time Off, unless the absence is caused by a work-related injury or required by law
  - c. Written assessment of the employee's job performance by the supervisor upon completion of the term of the probationary period, and a determination if reinstatement, suspension or termination is in order.
4. In the event that deficient performance is not corrected, a temporary suspension can be employed after consultation with and agreement of the General Manager/Chief Executive Officer. The employee is unpaid during the suspension.

In order to reduce physical and cyber security risks, an employee who has been suspended will be denied access to Benton Utilities' physical and information assets. The General Manager/Chief Executive Officer or designee, will be instructed to temporarily disable said access pending return to active employment status. Any exceptions must be recommended by the employee's supervisor and approved by the Human Resources Director, or designee, in accordance with applicable laws and regulation.

5. After all reasonable efforts have been made to assist the employee in correcting work deficiencies, and sufficient improvement is not likely to occur, the final disciplinary step is termination of the employment. This step is taken only with the approval by the General Manager/Chief Executive Officer.

Although employment with Benton Utilities is based on mutual consent and both the employee and Benton Utilities have the right to terminate employment at will, with or without cause or advance notice, Benton Utilities may use progressive discipline at its sole, absolute and unfettered discretion.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **718 Problem Resolution**

Effective Date: 11/01/2020

Benton Utilities is committed to providing the best possible working conditions for its employees. It is the policy of the Company that an employee with a work-related complaint has the opportunity to express it and to receive a fair response.

The primary responsibility for day-to-day employee relations is incumbent on immediate supervisors. It is thus essential that they are knowledgeable and capable in handling personnel matters. However, there are times when an employee may have a job-related concern that requires more than routine attention.

If employees disagree with established rules of conduct, policies, practices, or management decisions, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with Benton Utilities in a reasonable, business-like manner, or for using the problem resolution procedure.

In order that employees may be assured of fair treatment the following procedure may be utilized by the employee and the supervisor/manager in an effort to reach satisfactory resolution of the employee's concern or complaint. The employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor after incident occurs. The employee will be allowed an interview with his immediate supervisor for a frank discussion of the problem. If requested, this interview will be conducted in a private area. If the employee believes it would be inappropriate to contact his immediate supervisor, the employee may present problem to the Superintendent or Department Manager.
2. If the problem is not resolved to the employee's satisfaction, the supervisor will arrange an interview for the employee with the Department Manager or designee, as may be appropriate, to occur within seven working days of the initial interview.
3. If the problem is not resolved at this time, the employee will put his concern in writing and it will be submitted, along with the supervisor's and manager's written summaries of their meetings, to the General Manager/Chief Executive Officer for his review.
4. The General Manager/Chief Executive Officer will utilize whatever information and personal interviews he deems necessary, in his sole, absolute and unfettered discretion, to bring the matter to conclusion. The General Manager/Chief Executive Officer has full authority to make any adjustment deemed appropriate to resolve the problem. He will respond appropriately to the employee and his decision will be binding.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **781 Employee Identification Badge**

Effective Date: 11/01/2020

Employees may be issued a photo ID card by the Human Resources Department. Employees are to have their ID with them while working on the job. Certain employees, who come in contact with customers in the customers' homes, are required to wear their official Benton Utilities ID badge at all time while working on the job.

Exceptions to this policy may be made by department managers when they determine that wearing the badge may result in it being damaged, lost or creating a safety hazard to the employee.

Faded, damaged or lost ID badges will be replaced by the Company. Employees are encouraged to request a replacement badge when theirs is faded or damaged. Lost badges should be reported to Human Resources immediately in order for the electronic access granted by that badge to be deactivated in the system.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **782 Security and Keys / Facilities Access**

Effective Date: 11/01/2020

Employees of the Company may be issued keys, electronic access cards, passcodes or other means of gaining access to various buildings or locks as deemed necessary by management. Such keys and other means of access remain the property of the Company and will be surrendered upon request.

The employee to whom a key, electronic access card, passcode or other means of gaining access is issued is responsible for the following:

1. Signing the required document acknowledging that employee received it.
2. Never permitting a key, electronic access card, passcode or other means of gaining access to be used by another person, nor should employees use their badges to allow entry to the premises by anyone that the employee does not know to be an employee of Benton Utilities, or someone with legitimate business need to enter the building.
3. Reporting the loss or theft of a key, electronic access card, passcode or other means of gaining access immediately to employee' supervisor. Human Resources should be contacted immediately in order for the electronic access card to be deactivated in the system.
4. All keys, electronic access cards, passcodes or other means of gaining access will be returned to the Company upon termination of employment.

Employees will be limited to one key card at a time, unless an exception is authorized by the General Manager/Chief Executive Officer.

Key cards and access granted shall be reviewed at least annually by the Human Resources Director.

# **Benton Utilities**

## **Personnel Policy and Procedure Manual**

### **783 Tools and Equipment**

Effective Date: 11/01/2020

The Company supplies all tools and equipment required by employees to perform all assigned tasks.

An employee to whom tools and equipment are assigned is responsible for the following:

1. Using them in a reasonable and safe manner.
2. Providing proper and reasonable care for their upkeep.
3. Reporting damage, malfunction, or loss to the immediate supervisor at once.
4. Never permitting use of the tool or equipment by unauthorized persons.
5. Returning tools or equipment to authorized locations when directed by the supervisor or according to established procedure.

Personal usage of Company tools and equipment is prohibited unless expressly authorized by the General Manager/Chief Executive Officer.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **784 Political Activity**

Effective Date: 11/01/2020

1. Employees have the right to register to vote, vote in any primary or general election for the candidate of their choice, express their personal views on political issues, make voluntary personal contributions to political parties or individuals running for office, participate in political campaigns, become a candidate for public office, and hold public office.
2. No employee shall engage in any political activity during scheduled work hours, on Benton Utilities property, or when using Benton Utilities vehicles or equipment. Political activity includes, but is not limited to:
  - a. Displaying campaign literature, badges, stickers, signs, or other items of political advertising on behalf of any party, candidate, agency or candidate for political office.
  - b. Soliciting signatures for petitions or political issues.
  - c. Soliciting or receiving anything of value as a political contribution from any other person, or soliciting support for any political party or any person seeking political office.
3. Political activity shall be regarded as personal business. Employees desiring to participate in political activity during scheduled work hours may request time off.
4. No employee shall use his/her official position or title in connection with any political activities.
5. No employee shall use Benton Utilities property or supplies to secure contributions or to influence an election for any political party or any person seeking political office.
6. No employee shall discriminate in favor of, or against, an employee or applicant for employment on account of their political preferences, contributions or political activity permitted by this policy.



# **Benton Utilities Personnel Policy and Procedure Manual**

## **785 Bulletin Boards**

Effective Date: 11/01/2020

Bulletin boards are strategically placed throughout the Company facilities. Important notices and items of general interest are continually posted on Benton Utilities bulletin boards. Employees should make it a practice to review bulletin boards frequently. This will assist employees in keeping up with what is current at Benton Utilities.

- The use of the bulletin boards is restricted to the posting of official Benton Utilities notices and required employment information.
- No notices may be placed on these boards by employees or outside entities without specific advance approval by management.

# **Benton Utilities Personnel Policy and Procedure Manual**

## **801 A Few Closing Words**

Effective: 11/01/2020

This manual is intended to give employees a broad summary of things they should know about Benton Utilities. The information in this manual is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this manual, Benton Utilities, in its sole discretion, may always amend, add to, delete from or modify the provisions of this manual and/or change its interpretation of any provision set forth in this manual. Employees should not hesitate to speak to management if they have any questions about Benton Utilities or its personnel policies and practices.