



GRACE HOUSE
ministries, inc.

giving hope to girls in foster care

EMPLOYEE HANDBOOK

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SECTION 1
INTRODUCTION

INTRODUCTORY STATEMENT

We believe that our employees play a major role in the success of Grace House Ministries, Inc. ("Grace House," "the Ministry" or the "Organization"). We seek to create an atmosphere within the organization that will allow all employees to feel a genuine sense of accomplishment. At no time will we knowingly permit discrimination toward an employee in accordance with the applicable and governing law.

We believe that both the Organization and its individual employees should be good citizens. We seek to fulfill our obligations toward our ministry, the children we serve, and the community, in which we work and live. We encourage our employees to play a positive role in community endeavors.

Through the contribution of our employees and the recognition of their efforts, we believe that the Organization can achieve a level of performance, which will provide each of us with a sense of pride. We hope you will enjoy working with us and for Grace House.

This Employee Handbook is designed to acquaint you with Grace House and to provide you with information about its personnel policies, procedures, and practices including the terms, conditions and privileges of your employment. You are required to read, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the various programs developed by the Ministry to benefit its employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth. The policies contained in this handbook are also intended to provide guidelines to help maintain the harmonious working relationships.

No employee handbook can anticipate every circumstance or question involving policy. Consequently, as the Ministry continues to grow, the need may arise to revise the handbook. Therefore, Grace House expressly reserves the right to revise, supplement, or rescind any policies or portions of the handbook from time to time as it deems appropriate. The provisions contained in this handbook supersede all existing policies and practices and may not be amended or added to without the express written approval of the Executive Director. If you have a work-related question not specifically covered in this handbook, it should be discussed with your immediate supervisor or the Executive Director. Every effort will be made to provide an answer in an expeditious manner.

As you review the policies set forth in this handbook, keep in mind that except for the arbitration agreement, they are not intended to create a contract, nor are they to be construed as a contractual obligation of any kind or as a contract of employment between Grace House and its employees. Similarly, no policy in this handbook, including the arbitration agreement alters the at will nature of employment with Grace House.

The various employee benefits which are available to you as an employee are more accurately and fully described in our benefit booklets. If there are any differences between this handbook and the benefits booklets, the provisions of the benefit booklet prevails.

MISSION, PURPOSE AND PROGRAMS

Grace House Ministries, Inc. provides a Christian home for girls from crisis backgrounds. Young women are loved, nurtured, trained and encouraged to become mature, godly women, "oaks of righteousness". We extend our service through outreach ministries and we are committed to changing our community one child at a time.

STATEMENT OF FAITH

We believe the scriptures of the Old and New Testaments to be the word of God, the Spirit.

We believe in God, eternally, existing in three persons: Father, Son, Holy Spirit.

We believe that Jesus Christ is the only begotten Son of God, conceived by the Holy Spirit, born of the Virgin Mary, and is the true God and true man.

We believe that man was created in the image of God; that mankind sinned in the Garden of Eden and thereby incurred not only physical death, but also spiritual death. Even those who reach moral responsibility become sinners in thought, word, and deed.

We believe that the Lord Jesus Christ died for our sins, according to the scriptures, as a representative, substitution, and complete sacrifice and that all who believe in Him are justified on the ground of His shed blood.

We believe in the physical resurrection of the crucified body of our Lord, in His ascension into Heaven, and His present life there for us as our High priest and advocate providing a sufficiency for body, soul, and spirit for the believers.

We believe in the personal, visible and second coming of our Lord Jesus Christ, at a time unknown to us, but for which we are watching joyfully.

We believe that all who received by faith the Lord Jesus Christ are born of the Holy Spirit and thereby become children of God, and there is no other way to salvation.

We believe that the believer should be a vessel sanctified, met for the Master's use.

We believe in the great commission that our Lord has given to His Church to evangelize the world, and that this evangelization is the great mission of the church. Furthermore, we believe it is our Christian duty to witness by work and deed to those truths.

CORE VALUES OF THE ORGANIZATION

Christ Centered Ministry
Good Quality of Life
Good Stewardship over Lives and Resources
Serving In Love

OUR FOUNDER: "MAMA LOIS" COLEMAN

Lois Coleman was born into a loving, nurturing family. When she became a mother, that strong foundation provided the framework for her life. As her children grew, Lois Coleman's home became a favorite after school hangout for neighborhood children. Lois had a basketball goal and a jar full of cookies that drew youngsters to her home. She showed them love and began the Cultivator's Club to teach grace and manners. The children began calling her "Mama Lois" and she gained a reputation as a loving, caring adult who would listen to and spend time with children.

As an adult, Mama Lois accepted Christ as her Savior and her desire to help children, specifically those at risk, deepened. She began taking young girls into her home and for twenty years, from 1970-1990, "mothered" fifteen young women.

In 1989, Mama Lois enlisted other generous and caring individuals to help her form Grace House Ministries, Inc. The fledgling organization was founded upon the scripture, "Grow in Grace, and in the knowledge of our Lord and Savior Jesus Christ." (II Peter 3:18). Grace House Ministries reaches out to girls in our community who have been abused and neglected in order to help stop the cycle of dependency and poverty plaguing their innocent lives.

GRACE HOUSE FACTS

In 2002, the State Department of Human Resources licensed Grace House as a Child Care Facility equipped to care for thirty girls. Referrals are primarily accepted from DHR.

The goal of Grace House is to provide a consistent role model of a healthy family. House Parents afford care and a professional social worker assesses each girl's specific needs upon referral and admission. Structure and consistency are imperative, therefore, daily school schedules, chores, study hall, and family meals are a part of each child's typical day at Grace House.

Children who have suffered abuse and neglect have behavioral and emotional challenges that must be addressed. With the assistance of licensed social workers and psychologists, children are challenged to work through emotional issues, negative feelings, resistance, and denial. This therapeutic intervention includes individual, family, and group therapy, all aimed at helping the children learn coping, social, communication and life skills.

Grace House staff members receive on-going professional training in working with at-risk children.

The care for each girl is determined individually, based on her personal history and capabilities. This enables Grace House to provide for her spiritual, psychological, emotional, intellectual, and physical development.

Biological family members are encouraged to participate in this life planning process.

Existing supplemental programs for children and families include mentoring, bible studies, cultural enrichment, and health education.

Education is a priority. Due to circumstances beyond their control, some of the girls may come to Grace House with academic deficiencies. Private schools provide smaller classrooms and the opportunity for individualized attention to aid in the academic success of each girl. Participation in extra-curricular activities is encouraged.

Social etiquette and character development, emphasizing respect for others is taught, strongly encouraged, and expected.

SECTION 2
CHILD CARE POLICIES

ADMISSIONS PROCESS

Child admissions. An interdisciplinary team comprised of the Executive Director, Clinical Director and Case Manager will review the referral information to determine whether our programs and services are appropriate to meet the needs of the child prior to acceptance. Once that determination is made, the child is provided a pre-placement visit at Grace House to aid in the transition from her current environment to residency at Grace House. An initial case plan is developed within ten (10) days of acceptance into Grace House. A comprehensive case plan is developed within thirty (30) days and reviewed quarterly.

The primary goal of our residential program is to love, nurture, train and encourage girls to become mature, responsible young women. Programs and services are centered on a holistic approach to meeting the needs of the total child. The girls have routine, structure and discipline. They are guided and counseled to overcome feelings of low self-esteem and poor self-image. Therapeutic intervention is specifically geared toward the needs of each individual.

Family life at Grace House is child focused. We seek to provide a consistent role model of a healthy family. House parents provide care, transportation, and teach basic living skills. Daily chores, school, homework time, extracurricular activities and family meals are part of a typical day. A behavior management system is used to provide consistent objective feedback on behavior. Each month, the girls are treated to a made to order meal prepared by the Grace House founder. Birthdays and other milestones are celebrated in the girl's home and all residents of Grace House are invited to share in these festivities.

Children who have suffered abuse and neglect have behavioral and emotional issues that must be addressed. With the assistance of licensed social workers, counselors, psychologists and psychiatrists, the children are challenged to work through feelings of fear, anger and rejection associated with abuse and the separation from their birth families.

Therapeutic intervention includes individual, family and group therapy aimed at helping the children learn coping skills, social, communication and life skills. The Grace House Clinical Director provides on-going crisis intervention and meets with each resident a minimum of one hour per week; more often if needed or requested by the staff/child.

Self-esteem and inner beauty are emphasized. Girls utilize the services of a licensed cosmetologist every other week for hair care. Hair care basics are taught and emphasized.

Cultural and social enrichment helps to make the girl well rounded. Weekends are devoted to exposing the residents to an array of programs and events that contribute to quality of life.

Community Service and being good neighbors are qualities girls are able to develop through a variety of activities. Throughout the year, girls engage in community service projects such as assisting at a soup kitchen or with outreach projects, working at a local daycare, volunteering to wrap gifts at Christmas, participating in walkathons, babysitting and adopting someone who is not as fortunate. Also, girls are encouraged to be good neighbors and role models. As

such, residents are nominated and recognized monthly by their peers as the "Little Angel of the Month."

The programs that are offered to our girls also involve a strong cast of carefully selected and screened volunteers who provide additional support for the girls. Volunteers serve as mentors, tutors and resource families for the children. In addition, volunteers provide a wealth of talent and resources from professionals and others.

The Grace House interdisciplinary team also participates in and helps to facilitate the Individualized Service Plan ("ISP") meeting with DHR social workers. Each plan addresses the educational and spiritual aspects, emotional and psychological health, visitation and contact with birth families, development of age appropriate social and basic living skills, physical health and involvement in extracurricular activities for each child.

The ISP is developed in conjunction with the Clinical Director at Grace House, DHR social worker, the child, caregivers, birth family members, counselors, tutors, teachers, resource family members and mentors. The entire childcare team is responsible for implementing the stated goals and objectives. The case plan is monitored through bi-weekly team meetings between the Grace House clinical department and childcare providers.

General case management and planning is conducted in conjunction with DHR. The Grace House team works to help connect children with birth family members during their stay. When reunification is possible, the staff assists the child in making the transition from a group home to their permanent place of residence.

PRINCIPLES OF CHILD CARE FACILITIES

The first responsibility of every childcare facility as defined in the Alabama Child Care Act is to provide developmental experiences for children within a setting that affords adequate food, clothing, shelter, safety and education. An accompanying responsibility is the support and maintenance of family relationships.

As a licensed childcare facility, Grace House offers community living, adult care and guidance, and professional services as needed for children who cannot live at home, but who cannot, or do not require, the intense emotional relationship of a foster home.

A primary function of every residential child care facility shall be to work with children and their families, to help them utilize and expand upon strengths within the family, and to assist in family reunification efforts when that is the goal. Residential child care facilities serving sibling groups should strive to accommodate the children in the same environment, unless it is "not in the best interest of the children.

All children should be considered as members of the family units from which they came. Permanency is the desired goal for all children and therefore reunification with the family should be the first consideration. Children's feelings for their own family must be respected and handled in a manner that will not denigrate either child or parent.

Although the family may be unable to provide twenty-four hour a day care for the child, the family can make a significant contribution to the child's life and

emotional stability. In addition, the family retains rights concerning the child, unless those rights have been terminated by a court order.

The maintenance of family relationships shall be paramount unless determined by the Courts, Professional Service Providers, DHR, Social Services, Health Care Providers, or law enforcement to be detrimental to the best interests of the child.

CODE OF ETHICS

The Ministry has adopted a Code of Ethics to facilitate the implementation of our Mission. Each employee will be given a copy of the Code of Ethics when hired and is required to attend an orientation. Pursuant to our Mission, each employee is required to comply with and observe the following rules:

- To protect children in our care from all forms of abuse, maltreatment and exploitation; and bring to account adults who thwart that purpose;
- To serve only those children for whom our services are appropriate and establish plans carefully that are Christ-centered and family-oriented;
- To nurture each child's spirituality and growth in Christ while respecting the child's religious traditions;
- To utilize fully our professional skills in striving to enable each child to assume her role in society in a successful and fulfilling manner;
- To provide every opportunity for children to learn and to develop whatever talents they may possess;
- To accord children in our care their full respect as individuals while teaching them to respect the rights of others;
- To serve children without regard to race, culture or religion;
- To respect the uniqueness of each child's race, culture and religion while attempting to instill a sense of self-worth, individuality, and the responsibilities as well as the privileges of citizenship;
- To use our knowledge as advocates for children to improve their social conditions and develop resources beneficial to the strengthening of family life;
- To constantly review our services for relevance and effectiveness and strive to provide childcare services appropriate to the needs of our community;
- To take advantage of opportunities provided by Grace House to improve our professional skills and personal relationships with the children we serve;
- To represent our services and intentions honestly and openly.

SECTION 3
EMPLOYMENT POLICIES

EMPLOYMENT POLICIES

AT-WILL NATURE OF EMPLOYMENT

Employment with Grace House is on an at-will basis. This means that the employment relationship may be terminated at any time either by the Ministry or the employee for any reason not expressly prohibited by law, with or without notice, or use of progressive discipline. At-will employment also allows either the Ministry or employee to terminate employment for no reason. Any oral or written statement by anyone, (except those in writing, signed by the Executive Director and identified as an "Employment Agreement") to the contrary is invalid and should not be relied upon by any prospective or existing employee.

OPEN DOOR GRIEVANCE POLICY

We hope that all employees share a feeling of pride in Grace House and that the spirit of cooperation and enthusiasm in working for the good of the organization will be apparent in all relationships. We realize, however, that valid differences occasionally arise.

Grace House maintains an open-door policy which permits an employee to discuss problems, concerns, or grievances with the supervisor and Executive Staff. The following procedures have been established to resolve employee issues.

Step 1: Employee discusses the complaint or problem with immediate supervisor. It is expected that every effort will be made to resolve the complaint in a fair and amicable manner at this level.

Step 2: If the dispute is not resolved at Step 1, the employee shall file a written summary of the dispute with the Executive Director within ten (10) days of the response by the immediate supervisor. The Executive Director will direct and determine the final resolution.

OUR EQUAL EMPLOYMENT OPPORTUNITY POLICY

Grace House is committed to the principle of equal employment opportunity. It is our policy to recruit, hire, train, promote, and compensate individuals, and to administer any and all personnel actions in accordance with applicable laws, without regard to race, color, creed, age, sex, national origin or ancestry, status as a current or former member of the uniformed services, or status as a qualified individual with a disability. Further, Grace House will not discriminate against individuals based upon their religious affiliations. Since the organization is a Christian Ministry, however, all applicants and employees will be expected to adhere to its core values and tenets in order to fulfill the organization's mission of service. The Ministry believes that all employees have the right to work in an environment free of discrimination or harassment of any kind. This policy governs all aspects of employment, including selection, job assignment, promotions, compensation, discipline, termination, and access to benefits and training. Grace House will not tolerate any unlawful discrimination, and any such conduct is prohibited. The Ministry will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship on the organization and impede the organization's ability to adhere to its mission.

Grace House also prohibits any harassment based on the legally protected categories set forth above. Harassment is verbal or physical conduct that denigrates or shows hostility or aversion towards an individual because of these protected

attributes, and that (1) has the purpose or effect of creating an intimidating, hostile, or offensive working environment as defined by law; or (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities. For more information see the "Anti-Harassment" policy.

Any employee who feels that this policy is not being observed is encouraged to immediately contact the Executive Director. All reports will be treated as confidential to the extent practicable. No one will be subject to any form of discipline or retaliation for reporting incidents of unlawful discrimination or harassment or pursuing any such claim.

Grace House will promptly and thoroughly investigate the facts and circumstances of any reported incident.

All employees, regardless of position or title, will be subject to severe discipline, up to and including discharge, should the Ministry determine that an employee is engaged in unlawful discrimination or harassment.

DISABILITY ACCOMMODATION

Grace House 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. Grace House does not discriminate against any qualified employee or applicant because he or she is related to or associated with a person with a disability. Reasonable accommodation is available to all qualified disabled employees, unless to do so would result in an undue hardship in accordance with the governing law.

If any person feels he/she has been discriminated against based upon disability, he/she should make a complaint by contacting the Executive Director. Grace House will conduct a prompt investigation and keep the complaint as confidential as practicable. The Ministry requests that a written account of the incident be provided for record keeping purposes.

If Grace House determines that anyone has violated this policy, that individual will be subject to disciplinary action, up to and including termination. No person will be subject to retaliation reprisal for making a complaint under this policy.

EQUAL PAY

The Ministry does not discriminate between employees on the basis of sex. Specifically, Grace House does not pay an employee at a rate less than the rate at which it pays another employee of the opposite sex for comparable work on jobs which have comparable requirements relating to skill, effort, and responsibility. Differentials which are paid pursuant to established seniority systems, incentive or merit increase systems, or difference in the shift, task or time of day worked, are allowed. However, it is the Ministry's policy that these differentials do not discriminate between employees on the basis of sex.

IMMIGRATION LAW COMPLIANCE

Grace House is subject to the requirements of the Immigration Reform and Control Act of 1986 ("IRCA"). The Ministry, therefore, can only employ United States citizens and immigrants who are authorized to work in the United States. We do not unlawfully discriminate on the basis of citizenship or national origin. In

compliance with the IRCA, 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 for Grace House within the past three (3) years, or if their previous I-9 is no longer retained or valid.

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

ARBITRATION OF DISPUTES

If an employee chooses to pursue a disputed claim against Grace House which is unresolved through the internal grievance and complaint process, the employee shall submit said disputed claim to binding arbitration pursuant to the applicable rules of the American Arbitration Association ("AAA"). A Disputed claim is defined as any matter related to employment including, but not limited to, those made under the Age Discrimination in Employment Act, the Alabama Age Discrimination in Employment Act ("ADEA"), Title VII of the Civil Rights Act of 1964, as amended, any other Civil Rights Statutes, the Americans with Disabilities Act ("ADA"), or other claims based upon tort or contract laws or any other federal or state law or constitution affecting employment in any manner whatsoever.

Each employee is required to sign and date a form entitled, "Binding Arbitration Agreement," after receiving and reviewing a copy of the Ministry's policy on this subject. By signing this form, the employee acknowledges that he/she has read, understood, and agrees to be bound by this policy.

PROBATIONARY PERIOD

The Probationary Period is intended to give new and rehired employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Grace House uses this period to evaluate employee capabilities, work habits, and overall performance. During the Probationary Period, reasonable consideration and assistance will be given to help the employee succeed. Employees are encouraged to ask questions so that they will have a clear understanding of the job and what is expected.

Orientation and training for all new employees must occur within a thirty (30)-day period. The State of Alabama Department of Human Resources Minimum Standards Governing Child Care Institutions mandates specific topics/subject matters that are to be included in new employee orientation. (Copies of Minimum Standards Governing Child Care Institutions are available in the administrative office).

There is a three (3) month probationary period for all new employees and employees who accept a transfer into a new job. All employees, regardless of status or duration of employment, are required to meet and maintain Organization standards for job performance and behavior.

Any significant absence may result in extending the Probationary Period by the length of the absence. If Grace House determines that the designated Probationary

Period does not allow sufficient time to thoroughly evaluate the employee's performance, the Probationary Period may be extended for a specified period.

Either Grace House or the probationary employee may end the employment relationship at any time during the Probationary Period without cause or advance notice.

SATISFACTORY COMPLETION OF THE PROBATIONARY PERIOD DOES NOT GUARANTEE EMPLOYMENT OR IN ANY WAY ALTER THE "EMPLOYMENT-AT-WILL" STATUS OF THE EMPLOYEE.

OUTSIDE ACTIVITIES

The activities of any employee, whether on or off the job, which in the judgment of the Ministry, may interfere with an employee's proper performance or attendance on the job, will not be tolerated. Within the limits prescribed by federal and state law, such activities may subject an employee to the Ministry's disciplinary procedures up to and including immediate termination.

Certain activities which obviously are not proper for employees include, but are not limited to: (1) the use of the Ministry's time, facilities, or equipment to engage in another business or occupation; and (2) participating in any outside activity which results in lost time from work, causes distractions from work or unsatisfactory work performance or creates an appearance of a conflict with the best interest of Grace House or service to the residents.

All employees must receive the approval of the Executive Director before engaging in any activity which might be covered by this policy.

CONFLICTS OF INTEREST

Employees and consultants shall not use their official affiliation with Grace House Ministries, Inc. to secure preferential treatment regarding application for or receipt of services.

Employees shall accept no gift, favor, or service from other service providers or organizations for the referral of clients; nor shall employees extend such gift, favor, or service to other agencies for referrals.

No referrals will be made exclusively to employees engaged in private practice or consultation. However, when private practice has been approved by the Executive Director as secondary employment, the names of employees engaged in private practice may be included on a list of referrals provided to clients and others.

Employees and consultants shall hold no direct or indirect financial interests in the assets, business transactions, or professional services of Grace House Ministries, Inc.

Employees shall neither possess nor consume illegal drugs. They shall not participate in any immoral act or behavior that violates traditional ethical standards and has the potential of jeopardizing the integrity or reputation of Grace House Ministries, Inc.

Employees should not consume tobacco products or alcoholic beverages in the girls' homes.

Employees shall be good stewards in the handling of the Ministry's money. They

shall follow established procedures in documenting expenses, avoiding the mixing of personal and Grace House funds, and thinking carefully before spending the money that has been entrusted to them. Employees shall refrain from theft or defrauding Grace House, or the willful destruction defacement of Grace House facilities or any of the equipment. Employees shall abide by all the Ministry's policies, local, state and federal statutes or regulations, particularly as they relate to the care of children.

CONFIDENTIALITY/NON-DISCLOSURE

The protection of confidential information is vital to serving the needs of our residents, the success of the Ministry and compliance with the governing laws and regulations. Additionally, the law prohibits disclosure of official records of residents and former residents. These records are maintained by the Clinical staff and may only be disclosed to persons/agencies other than Grace House with the permission of the Executive Director or Clinical Director. Other confidential information includes, but is not limited to, all records and information related to the residents; medical or health records of the residents; family and background information about residents; personal, non-public information about employees; personnel records of current and former employees; employee salary information; financial information; and business matters. Confidential information may not be used by employees for any purpose which is not directly related to the Ministry. Likewise, confidential business information, and/or non-public personal information may not be disclosed by employees to any person or entity who is not employed by Grace House and/or is not authorized to receive or use the information.

Former employees may not disclose or use, transfer or transmit confidential business information to any person or entity for any purpose whatsoever.

The way that Grace House Ministries is perceived by its supporters, business associates, the media, regulatory agencies, and the general public is a direct result of the external communications activities carried out by the management and employees. These external relationships have a significant impact on the Ministry. In order to present the best image, it is important that the messages we communicate are consistent with Grace House's philosophy, policies and procedures.

Serious problems could be created for the organization by unauthorized disclosure of internal information, whether for the purpose of fund raising, acceptance into Grace House programs, or otherwise. Grace House personnel should not discuss internal Organization matters or developments with anyone outside of the Organization, except as required in the performance of regular job duties.

If you are unsure as to what information is confidential, please consult with your supervisor or the Executive Director. Outside inquiries regarding organization business should be referred to the Executive Director.

The Executive Director serves as an information channel for the media and for any person or organization outside the Ministry. The Executive Director is responsible for approval of press releases, responding to media inquiries, and coordinating interviews with the media.

Employees who are exposed to confidential information may be required to sign an employee confidentiality agreement as a condition of employment. Upon

termination of employment, all of the Ministry's records, including but not limited to manuals, disks, and computer records relating to confidential information must be returned.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT ("HIPAA") HIPAA PRIVACY RULE

The Health Insurance Portability and Accountability Act ("HIPAA") is a federal law which prohibits health plans, healthcare clearing houses and healthcare providers (i.e., covered entities) from wrongfully disclosing individually identifiable health information if that protected information is transmitted in electronic form. The regulations, which became enforceable in April, 2003, expand the general statutory prohibition to include a prohibition on disclosures of health information in any form, whether electronic, written, or oral communications. Covered entities¹, are therefore strictly prohibited from using and disclosing individually identifiable health information unless specifically permitted or allowed by the statute.

Grace House, which bills and receives reimbursement from the Alabama Medicaid Agency for services rendered to its residents, is considered by DHR to be a direct treatment provider under HIPAA. The ministry furnishes, bills, or is paid for certain health care and/or counseling services in the normal course of its business. Therefore, based upon DHR regulations, Grace House must comply with the restrictions, limitations and requirements as a covered entity under the HIPAA Privacy Rule.

Grace House is committed to complying with the HIPAA Privacy Rule, and has developed policies and procedures for handling HIPAA-related issues as they arise. In that regard, Grace House will:

1. Obtain reasonable assurances from its business associates that the associate will not use or disclose protected health information, except as provided for in the regulations. Business associates are persons and entities with whom Grace House has shared or disclosed protected health information and who use or disclose the information to perform an activity or function for or on behalf of Grace House;
2. Ensure that its residents are made aware of their rights under HIPAA. Residents have the right to review, inspect, restrict access to, receive an accounting from, and amend their protected health information. Residents also have the right to request confidential communications regarding their protected health information, to revoke authorizations and to receive a notice outlining the Grace House privacy practices;
3. Develop policies and procedures to ensure compliance with the HIPAA Privacy Rule; and
4. Appoint a Privacy Officer or Privacy Contact as required by the HIPAA Privacy Rule. The Privacy Officer or Privacy Contact is responsible for ensuring our overall compliance with the HIPAA Privacy Rule. The Privacy Officer shall be the

¹ Grace House Ministries is licensed and certified as an agent of the Alabama Department of Human Resources ("DHR"). DHR has specifically designated Grace House as a covered entity under the HIPAA Privacy Rule.

Executive Director.

When in doubt about any use or disclosure of protected health information and to ensure that any proposed disclosure complies with the HIPAA law, Grace House employees, staff members, agents, and/or contractors shall consult the HIPAA Policies and Procedures Manual, HIPAA Privacy Officer or Privacy Contact, and/or obtain the advice of Grace House legal counsel prior to the release of any individually identifiable health information or data governed by HIPAA.

This policy is specifically applicable to all disclosures of individually identifiable health information, including, but not limited to, disclosures to family members, employers, insurance companies or pursuant to subpoenas, court orders, or other legal process.

The HIPAA Privacy Rule governs the use and disclosure of individually identifiable health information and therefore, impacts every facet of the treatment records maintained or related to Grace House residents, including the documentation, retention, storage and destruction of those records. Each Grace House employee, agent, staff member and contractor should review the HIPAA Policies and Procedures Manual and acknowledge, in writing, his or her commitment to comply with the standards set forth therein.

Additional information regarding the HIPAA privacy rule, including policies and procedures related to HIPAA compliance, may be found in the HIPAA Policies and Procedures Manual, which is incorporated herein by reference and should be considered a part of this handbook.

RESIDENT'S RECORDS

Official records of residents and former residents whose records (or copies thereof) have been retained are confidential and are not to be released to persons/agencies outside of Grace House Ministries without permission from the Executive Director or Clinical Director.

Maintenance of the records is the responsibility of the Clinical staff; therefore responsible for maintaining compliance with the Department of Human Resources regulations and requirements.

NON-RESIDENT CHILDREN

The paramount mission of Grace House Ministries is to provide a nurturing, safe and enriching environment conducive to the healthy development and maturation of the girls we serve. All staff members are expected to devote their full time and attention to this mission while on duty. In accordance with this objective, Grace House adopts the general rule that no house parent, or other employee whose primary responsibility is care giver for the residents, shall be allowed to bring minor children to Grace House for the workday without approval by the Executive Director. Emergency circumstances will be considered at the discretion of the Executive Director.

VISITORS

All persons working with girls entrusted to the care of Grace House Ministries are required to be cleared through the appropriate screening process set forth by DHR and Grace House Ministries. To ensure confidentiality and to safeguard the homes in which the girls reside, no house parent, or other employee whose primary responsibility is that of child care provider, shall bring to or entertain visitors at Grace House while on duty without prior approval of the Executive Director. At no time should a visitor to Grace House have access to the house parent offices or the living quarters of the residents unless on an official visit, pre-approved by the Executive Director.

FINANCES

Stewardship

Grace House is committed to Christian principles of stewardship in responsibly and ethically managing its financial program. As such, some opportunities for raising income will not be pursued, if it could appear to compromise biblical principles. Development of financial policies is the responsibility of the Finance Committee of the Board of Directors.

The Executive Director will ensure internal controls are established for the management of income and expenses.

Annual Audit

Grace House Ministries receives funds from a myriad of private sources, including churches, individuals, businesses, and civic clubs. In addition, Grace House receives funding from state agencies. All accounts are audited annually by a Certified Public Accountant, who also briefs the Board on the results.

Fund Raising

Residents shall not be used for the purpose of soliciting funds. Fund raising is the responsibility of the Board of Directors and the Development Director and shall be conducted according to approved and ethical processes. Grace House Ministries is registered with the Attorney General as a non-profit charitable organization.

TELEPHONE USAGE

Grace House telephone lines are intended for business use. The Ministry recognizes that there may be an occasion where it is necessary to make or receive a personal call at work. However, such calls must be held to a minimum and must not interfere with the employee's work. Failure to comply with this rule may result in corrective action, up to and including termination of employment.

Telephone calls may be monitored without notice. All employees are required to sign a statement acknowledging that they consent to such monitoring.

CELL PHONE USAGE

Cell phones are the property of Grace House Ministries, Inc. and are to be used in matters related to Grace House. Nextel radio services can be utilized between staff members along with the ability to receive and place business calls to others.

Usage

Staff members assigned a Nextel should assure the phone is secured during times of non-use and assure that your phone is with you when you leave the premises for Grace House appointments, transport, etc. For extended conversations, please use a

"land" line. Return your phone to the charger when not in use.

Employees using cell phones or radios excessively for personal use will be responsible for reimbursing Grace House within fifteen (15) days of receipt of billing.

When using the radio function, your conversation can be heard by others in proximity. Communication of a confidential nature should not take place using the radio/two way function.

Abuse of phone privileges or violation of this policy may result in disciplinary action, including but not limited to, restricted phone use, termination of phone access, or termination of employment.

COMPUTER USAGE

It is the policy of the Grace House to use personal computers to improve communication, to provide better access to information, to improve service to our residents, to enhance the productivity of employees, and to lower the overhead cost of delivering services. The security, integrity, and accuracy of the information contained in these computers are the responsibility of every employee. An employee who accepts the privilege and advantage of computer use also accepts the responsibility associated with such privilege.

Every employee is expected to demonstrate caution and care around all equipment and ensure that confidentiality of information stored on the computers is maintained at all times. Users may not make copies of software owned by Grace House (except for backup purposes) and shall not install any software on a computer which has not been approved by Grace House and registered by the Ministry. This prohibition includes loading personal software onto the Ministry's computers. Grace House is committed to complying with software manufacturers licensing agreements. Grace House honors all licensing, copyright, patent restrictions, and terms and conditions with commercial proprietary computer software.

EMAIL, VOICEMAIL, AND INTERNET USAGE

The goal of Grace House's email, voicemail, and Internet policy is to outline the reasonable expectation of privacy for employees when they utilize the e-mail, voice-mail, or Internet systems and to clearly define the appropriate use for these services.

Email, voicemail, and Internet services are the property of the Ministry, and all elements and/or voice-mail communications and contents stored therein, solely belong to Grace House. This policy mandates that these systems are to be used for business purposes. Specifically, these systems are designed and intended to be utilized to facilitate non-personal and non-confidential communication between Grace House employees, staff and administrators, as well as between the Ministry and state and affiliate agencies, consultants and service providers. Employees are reminded that use of email, voicemail, or Internet services for personal messages or communications unrelated to business should be kept to a minimum. Abuse of these systems for personal communications may lead to disciplinary action, up to and including termination.

Expectation of Privacy: Employees should not assume that their communications via email, voicemail, or the Internet are private merely because they make use of

passwords, "confidential" markers, or other access limiting devices. Employees are provided limited, authorized access to these communication systems, and Grace House may at any time, maintain knowledge of access providing passwords and/or codes, In order to assure compliance with the Ministry's policies, evaluate employees' service and effectiveness with residents and providers, or investigate conduct or behavior that may be illegal or adversely affect the Ministry and/or the welfare of its residents or employees, Grace House may monitor email, voicemail, and Internet communications in accordance with the governing law. By using the Ministry's email, voicemail, and Internet systems, employees knowingly and voluntarily consent to being monitored and acknowledge the Ministry's right to conduct such monitoring. Employees should also be aware that they have no rights to the contents of the email, voicemail, or Internet systems once their employment has been terminated.

Guidelines for Use of the Ministry's Email, Voicemail, & Internet Services: As outlined in other sections of the Employee Handbook, Grace House expects all employees to display a high level of respect, courtesy, and professionalism when interacting with agency representatives, service providers, volunteers, guests, and business associates, as well as other employees. Although employees may be tempted to develop a casual attitude towards the content of email, voicemail, and/or Internet generated communications (primarily because such communication tends to be more informal and spontaneous than that on paper), employees should avoid such tendencies.

As noted above, email, voicemail, and Internet services are to be used for business purposes. Personal e-mails, although unavoidable, should be kept to a minimum. When using these systems, employees are expected to adhere to the Ministry's "content" guidelines. The following is prohibited communication.

- Communications that may constitute verbal abuse, slander, defamation, or personal disparagement of residents, administrators, providers, employees, or any other person or entity.
- Communications that can be considered, harassing, vulgar, obscene, or threatening.

GRACE HOUSE EQUIPMENT &/OR VEHICLES

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

SOLICITATION AND DISTRIBUTION

When the employee is engaged in or required to be performing their assigned work tasks, the employee may not participate in solicitation of other employees.

CHANGES IN PERSONAL DATA

It is very important for an employee to inform his/her supervisor of any changes in his/her name, address, telephone number, number of dependents, emergency contact person, and driver's license status. By doing so, personnel information will always be up-to-date and this will help the organization in handling benefits, pay, and other matters important to an employee and his/her family. Submit any changes in writing to your supervisor.

REPORTING ARRESTS, CONVICTIONS TRAFFIC OFFENSES AND CHANGES IN INSURANCE STATUS

Any employee who has been arrested or convicted for any reason must

immediately report the arrest and/or conviction and surrounding circumstances to his or her supervisor. Similarly all traffic offenses, accidents in personal vehicles and changes in insurance status must be reported to the supervisor immediately. Failure to comply with this policy may result in disciplinary action.

EMERGENCY CLOSING PLAN

At times, emergencies such as severe weather, fires or power failures can disrupt the Ministry's operations. In extreme cases, these circumstances may require the closing of the office. Unless there is an announcement that the facility is closed, you should assume that Grace House is open. If the facilities are open and an employee still decides they cannot report to work, the employee must use a personal day. Employees should listen to radio stations for announcements or call the office or their supervisors. Refer to the practices posted or announced for emergencies.

Employees in essential operations may be asked to work on a day when Grace House is officially closed. These employees will later be allowed to take a floating day (within the same pay period if possible) to be scheduled based upon the needs of the operation and residents.

SECTION 4

DEFINITIONS OF EMPLOYEE STATUS

EMPLOYMENT CLASSIFICATIONS

It is the intent of Grace House 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 nor do they obligate the Ministry to provide the employee any set number of hours of work within a particular week. Accordingly, both the employee and Grace House may terminate the employment relationship at-will at anytime.

Probationary employees are those whose performance is being evaluated for three (3) months (ninety (90) days) to determine whether further employment in a specific position with Grace House is appropriate. For more information, see policy entitled "Probationary Period."

Regular Full-time employees are those individuals hired to work a scheduled forty (40) hour week on a routine basis who have completed their probationary period. They are entitled to full participation in Grace House Ministries' benefits.

Regular Part-time employees are those individuals hired to work fewer than thirty (30) hours a week on a routine basis who have completed the probationary period.

Temporary employees are those individuals who are placed on the payroll with the understanding that their employment ceases when a particular assignment has been completed or a particular deadline has been reached.

Individuals hired from a temporary agency remain employees of that agency, not of Grace House, and are therefore, not entitled to participate in any of the Ministry's benefit programs.

Contract labor consists of all labor provided to Grace House Ministries for compensation not specifically covered under one of the previous employee classifications. This classification normally applies to single job or project situations and/or recurring service-oriented labor. Contract labor must be approved by the Executive Director.

Volunteers are those individuals recruited to participate in Grace House Ministries programs because of their interest or acknowledged expertise in some aspect of childcare, physical plant maintenance or administration. They neither receive financial compensation nor participate in any of the benefit programs. They may, however, be eligible for reimbursement for authorized expenses incurred as part of their Ministry involvement.

Employees covered by the Fair Labor Standards Act ("FLSA") are designated as either NONEXEMPT or EXEMPT (hereinafter "covered nonexempt" or "covered exempt") from federal wage and hour laws. Covered nonexempt employees are entitled to overtime pay under the specific provisions of federal and state laws. However, covered non-exempt employees are not permitted to work any overtime unless they receive specific written authorization or approval from their supervisor prior to commencing the overtime work. Covered exempt employees are excluded from specific provisions of federal wage and hour laws and are not eligible for overtime pay.

SECTION 5
BENEFITS & SERVICES

EMPLOYEE BENEFITS

BENEFIT PROGRAMS

Grace House is committed to the welfare and well-being of its employees. Accordingly, the Ministry affords many tangible and intangible benefits to eligible employees, including Medical and Dental Insurance. Full-time employees will become eligible for these benefits after the satisfactory completion of the first thirty (30) days of the probationary period unless the plan provides for a longer eligibility period. The plans are explained fully in the literature provided for each plan. For more information you may contact the Executive Director.

BENEFIT CONTINUATION UNDER COBRA

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

Under COBRA, the employee or beneficiary pays the full cost of coverage at the group rates plus an administration fee. Grace House will provide each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under its health insurance plan. The notice contains important information about the employee's rights and obligations. In some cases, the employee may be able to convert the group coverage to individual coverage.

SOCIAL SECURITY

All employees are covered by the federal Social Security Act with responsibility for contributions shared equally by Grace House and the employee. The employee's required percentage is deducted from his/her wages each pay period. Grace House makes an equal contribution and sends the total (employer and employee contribution) payment to the District Director of Internal Revenue Service. Social Security payments made by Grace House are not subject to federal or state income tax by the employee. The plan is designed to insure the future security of the employee and his or her dependents and provides for retirement, disability, death, survivor and Medicare benefits.

UNEMPLOYMENT COMPENSATION BENEFITS

Grace House is covered by the Alabama Unemployment Compensation Law, which is implemented by the Alabama Department of Industrial Relations. This government-operated system of insurance is intended to protect employees against the complete loss of income during temporary periods of unemployment by providing a weekly cash benefit to eligible employees who are not otherwise disqualified from receiving all or a portion of the benefits. The eligibility requirements and a list of reasons for disqualification are set out in the law. Employees do not pay any part of the fund that provides this benefit.

Section 25-4-78 of the Alabama Unemployment Compensation Law provides in

pertinent part as follows:

A confirmed positive drug test that is conducted and evaluated according to standards set forth for the conduct and evaluation of such tests by the U.S. Department of Transportation in 49 C.F.R. part 40 or standards shown by the employer to be otherwise reliable shall be a conclusive presumption of impairment by illegal drugs. No unemployment compensation shall be allowed to an employee having been warned that such a positive test could result in dismissal pursuant to a reasonable drug policy.... Further, no unemployment compensation benefits shall be allowed if the employee refuses to submit to or cooperate with a blood or urine test as set forth above, or if the employee knowingly alters or adulterates the blood or urine specimen.

This policy constitutes the official warning and notice that unemployment benefits shall not be allowed to an employee having a confirmed positive drug test or to an employee who refuses to submit to or cooperate with a blood or urine test, or who knowingly alters or adulterates the blood or urine specimen.

WORKERS' COMPENSATION

An employee who suffers an on the job injury or illness may be entitled to benefits under the Alabama Workers' Compensation law. In the event of an injury, even if the employee considers it insignificant, the employee shall immediately report the injury to his/her supervisor. The Supervisor shall complete an incident report.

Grace House has selected a health provider to provide initial care and treatment of non-life threatening job related injuries or illnesses. No other physician, medical group, clinic or medical service provider is authorized to provide initial services for job related injuries or illnesses unless the case involves a complicated, severe injury requiring specialized attention or is life threatening.

If the employee fails to report to work at the end of his or her Workers' Compensation leave without providing notice, the employee will be deemed to have voluntarily resigned his/her employment with the Ministry.

The Alabama Workers' Compensation law provides that no compensation shall be allowed for any accident or death resulting from an employee being intoxicated from the use of alcohol or being impaired due to the use of illegal drugs. The governing statute further provides that a positive drug test which is conducted in accordance with standards adopted by the U.S. Department of Transportation (49 C.F.R. Part 40) shall be considered a conclusive presumption of impairment resulting from the use of illegal drugs. Furthermore, compensation will be disallowed to an employee who refuses to submit or cooperate with a blood or urine test after an accident.

TIME OFF (PAID AND UNPAID)

HOLIDAYS

Grace House recognizes the following ten (10) holidays.

New Year's Day
Dr. Martin Luther King, Jr. Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day & Day after Thanksgiving (two (2) days)
Christmas Eve & Christmas Day (two (2) days)

Regular full-time hourly and salaried employees who do not work on one of the above recognized holidays will receive their regular rate of pay; not "Holiday pay". Part time employees are not eligible for this benefit.

Holiday pay is a benefit granted by the Ministry to hourly employees that work on one of the above recognized holidays. Part time employees are eligible for this benefit.

Holiday pay will be at the hourly rate of one and one-half times the employee's regular rate of pay. Ex: If an employee makes \$10 an hour and works an 8 hour shift on Independence Day; the employee will get paid \$120 for the day. The calculation is as follows: \$10 multiplied by 1.5 (time & a half) = \$15; then multiply \$15 by 8 (number of hours worked) = \$120

Employees on unpaid leave are not eligible for holiday pay. Similarly, if a holiday falls during an employee's paid absence (i.e. vacation or sick leave); the employee will be ineligible for holiday pay.

If a holiday falls on a Saturday, it will generally be observed the preceding Friday. If a holiday falls on a Sunday, it will generally be observed the following Monday. The designation of holiday observation remains at the discretion of the Executive Director.

If a full time salaried employee is asked to work on one of the above-recognized holidays, the employee shall be paid at the regular rate of pay and receive a floating day for the hours worked on that holiday.

COMP LEAVE

When salaried administrative staff are required to work in excess of normal work requirements, they will be allowed reasonable time off when their absence will not hinder the daily operations of the Ministry or the employee's responsibilities.

Under unusual circumstances, deviation in the above schedule may be made at the discretion of the Executive Director provided the services of Grace House are not impaired.

VACATION LEAVE

The organization provides vacation leave to regular full-time employees who regularly work (40) hours a week. Employees accrue vacation leave according to length of service as follows.

Less than 5 years	10 days annually
6-10 years	15 days annually
11 + years	20 days annually

Employees may begin to use earned vacation leave after the completion of the probationary period. Vacation leave should be used for vacations or to address personal matters. It may also be used for illnesses; only if sick leave time has been exhausted.

In order to take leave, employees must submit a request at least one (1) month in advance of the requested time off, absent an emergency. The reasons must be submitted to the direct supervisor and approved by the Executive Director or his/her designee.

Leave is a privilege and remains within the discretion of the Executive Director. Leave is granted according to the work plan and whether the employee's job responsibilities can be covered by other employees and does not present a hardship in rendering services to residents. Only one day of accumulated vacation leave may be carried over from one calendar year to another. Upon termination of employment, an employee shall be paid for unused earned vacation days.

Under extraordinary circumstances, deviations in this policy may be allowed at the discretion of the supervisor and Executive Director provided the services rendered to the residents and the operations of Grace House Ministries are not hindered.

SICK LEAVE

All regular full-time employees earn one day for each month of work for sick leave. Employees may begin to use earned sick leave after the completion of the probationary period. Regular full-time employees with ten (10) or more years of service will be allowed 1 ¼ days per month. Unused sick leave may be accumulated but is not paid upon termination.

Eligible employees may only use sick leave for:

- Personal illness of the employee, including inability to work due to pregnancy, childbirth or related medical conditions;
- Personal medical and dental appointments;
- Illness arising from exposure to contagious disease endangering the health of the residents or other employees;
- For the employee to receive treatment, care and/or counseling, as either an inpatient or an outpatient, for substance abuse at a duly licensed treatment facility;
- Illness in the employee's immediate family which necessitates his/her absence from work. In this case "immediate family" shall be defined as the employee's spouse, mother, father, siblings, children, grandparents or grandchildren and in-laws.

Sick leave may be taken for less than one (1) day and is calculated on an hourly basis.

Employees who are unable to report to work due to illness or injury should notify their supervisor before the scheduled start of their workday. The supervisor must also be contacted on each additional day of absence. It is the employee's

responsibility to find coverage for the shift(s); then notify the supervisor of the person covering their shift. Failure to do so will result in disciplinary action.

If an employee is absent three (3) or more consecutive work days due to illness or injury, a physician's statement may be required verifying the medical condition and its beginning date and expected ending date. This verification is required as a condition to receiving sick leave benefits.

Before returning to work from a sick leave absence of three (3) calendar days or more, an employee may be required to provide a physician's verification that he or she may safely return to work.

Sick leave is intended solely to provide income protection for the events described in this policy, and may not be used for any other absence.

BEREAVEMENT LEAVE

Regular full-time employees are eligible for bereavement leave. In the event of the death of an immediate family member (spouse, mother, father, siblings, children, grandparents or grandchildren and in-laws), these employees may take up to three (3) consecutive days paid leave.

Employees should notify their supervisor(s) immediately upon learning of the death so proper arrangements can be made during the employee's absence. Should additional time be needed and the supervisor approves, the employee may take vacation time. The employee must make the appropriate notation on the timesheet.

JURY DUTY

Grace House believes that jury duty is an important civic responsibility and grants time off for service. Any employee summoned for jury service should report it to his or her supervisor at once. Employees will receive their regular earnings, during the time for which they serve as jurors during normal working hours, Any mileage or per diem allowance an employee receives in connection with jury service is his or hers to keep and is not offset against the pay adjustments. If the employee is dismissed from jury service early, he or she is expected to report to work immediately. Upon release from jury duty, you should provide notice of release to your supervisor as soon as practical.

MILITARY LEAVE

Employees who are involved in a United States military reserve organization or the National or State Guard and are required to complete training or assignments for these roles can take military leaves of absence for these assignments. Military leave is without pay. If requested, employees shall be permitted to use any accumulated but unused leave (including vacation, or sick leave) to cover the time off. Employees are not required to substitute their paid leave during this period. If an employee is permitted to choose the period during which the military training assignment is to be performed, he/she should consult with his/her supervisor to select a period which least interferes with the conduct of the organization.

Employees called to military training or assignments should submit a copy of their orders to the Executive Director as far in advance as possible and should inform their supervisor(s) of the training.

Eligible employees returning to work from military service or training are guaranteed job restoration. To be eligible, the employee must seek reinstatement

within the time limits established by federal law (see chart below) and be qualified for work.

LENGTH OF DUTY	TIME LIMITS TO RETURN
1 to 30 days	First work day 8 hours after return
31 to 180 days	Within 14 days after service completion
180 days or more	Within 90 days after service completion

Time limits to return to work may be extended for up to two (2) years if necessary due to a service-connected disability. Grace House will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. Reasonable efforts will also be made by the employer to retrain/upgrade as required by federal law.

While on military leave for less than thirty-one (31) days, Grace House will maintain the employee's group insurance benefits at the same level and under the same conditions as if the employee had been actively working. If military leave extends to thirty-one (31) days or more, the employee has the option to continue coverage at his or her expense for up to eighteen (18) months. If coverage is discontinued, the employee's group insurance benefits will be reinstated upon his or her return to work at the same level, and under the same conditions, as if the employee had been actively working, with no waiting period or exclusion for preexisting conditions, except for service-connected disabilities.

Grace House is committed to complying fully with the Uniformed Services Employment and Reemployment Rights Act and ensuring equal opportunity in employment for qualified persons with military obligations. All employment practices and activities are conducted on a nondiscriminatory basis.

PERSONAL LEAVE OF ABSENCE WITHOUT PAY

Grace House may make provisions for a personal leave of absence without pay for an employee who needs time off from work for a valid reason other than those covered by our other leave policies. Unpaid leave may also be available if an employee has exhausted his or her time under other leave policies.

When unpaid personal leave of absence is granted, it is given on an individual basis and at the discretion of the Executive Director, taking into consideration the purpose of the leave, the employee's work record, the needs of the organization at that particular time and the impact on services rendered to children. It is important that the children served by Grace House, who are away from their home(s), receive as much consistency as possible. This is an important aspect of their growth and also helps to foster a sense of trust in the adults who care for them on a daily basis.

An employee must exhaust all earned unused vacation before an unpaid personal leave will be authorized. You must be classified as a regular full-time employee and have completed one (1) year of continuous service prior to the effective date of the unpaid personal leave. You must also complete a Leave of Absence Form and have it approved by your supervisor and the Executive Director. If your position or comparable position is available and needs filling and you meet the qualifications, Grace House will attempt to reassign you. But, job restoration is not guaranteed after an unpaid leave of absence.

VOTING

Grace House encourages its employees to exercise their civic responsibility to vote. Employees should make every effort to do this before the beginning of the work day or after the regular work day. If an employee is unable to vote during this time, he/she may be granted permission to come to work late or leave early to vote by his/her supervisor only if the departure will not disrupt operations. Such absence should not exceed the time actually required to vote.

STAFF DEVELOPMENT/TRAINING

Full-time and part-time employees will be allowed to attend appropriate workshops, seminars, or training sessions related to the objectives of the Ministry and the professional development needs of the individual staff member. Prior approval from the Executive Director is required.

SECTION 6
WAGE & SALARY POLICIES

HOURS OF WORK AND PAY

Work Week — A Grace House work week encompasses Sunday through Sunday. An individual employee's work week will depend upon his/her position and duties and responsibilities.

Work Day — The normal business hours for the Ministry are 9:00a.m. to 5:00p.m. Employees' hours will vary based upon their assignments.

Nothing in these guidelines should be assumed to be a guarantee of employment for any number of hours or period of time.

Scheduling- Work schedules will be established based upon the position, and organization needs and objectives. They are subject to change at management's request. To the extent possible, employees will be notified in advance of changes in work hours or work schedules.

As the need arises, supervisors may schedule workdays and hours that differ from the standard workdays and hours described above. A flextime schedule may be granted to other administrative staff if the schedule is arranged in advance and benefits the organization as well as the employees. Occasionally, a supervisor may grant a flextime schedule to an employee for short-term use in order to address a specific employee need. Advance approval of the supervisor is required when additional hours are to be worked or any change in schedule hours is required.

All work, in addition to your regular schedule, must be approved in advance by your supervisor.

TIMEKEEPING

All non-management employees will be required to record "time worked" by submitting a time log or time sheet to their supervisors. Time worked is the time actually spent on the job performing assigned duties. An employee should not "log in" until he or she is ready to work. The employee must also "log out" as he or she leaves and "log in" as he or she returns. If an employee fails to log in or out at the appropriate time, or if errors occur during logging in or out, he or she should contact the supervisor immediately. It is the employee's responsibility to ensure he/she records all hours correctly on the time logs. The time log must also reflect any overtime worked by covered non-exempt employees.

All administrative staff members are required to complete a weekly itinerary log sheet by Friday of the week prior or by Monday the week of.

Employees must record any vacation, sick leave, personal leave, jury duty, bereavement leave, or any other absence on an Employee Leave Form. Your supervisor or the Administrative office has these forms.

Employees are prohibited from altering, falsifying, or tampering with time records. Furthermore, an employee may not sign in or log in for another employee. Any employee who fails to comply with this policy may be subject to disciplinary action, up to and including termination of employment.

OVERTIME

Employees may be required to work overtime from time to time. Covered non-exempt employees may perform such overtime when, and only when, specifically instructed to do so. Unauthorized performance of overtime work may result in disciplinary action. Covered non-exempt employees are paid at a rate of one and one half times the regular rate of pay for all hours worked in excess of forty (40) in a work week.

If an employee is authorized to work overtime, his or her time log must reflect the hours worked. These time logs must be submitted to the organization in order to assure proper payment. Failure to timely submit overtime hours will result in disciplinary action.

Covered non-exempt employees are only eligible for overtime pay for time actually worked. In other words, even if an employee is paid for time off during the week for sick leave or vacation, that time will not be computed as part of the overtime calculation because it is not time worked.

PAYMENT OF WAGES

Compensation

Grace House is committed to providing salaries and wages for employees commensurate with the job's requirements. The Ministry's goal is to pay compensation comparable to that paid for similar duties at similar local agencies, insofar as the budget allows.

Deductions required by law such as social security and state and federal withholding taxes, shall be made from each paycheck. Other deductions, such as health insurance, or annual giving contributions may be made at the staff member's request.

Employees who discover a mistake in their paycheck (including, but not limited to, an improper deduction or improper calculation of overtime), lose their paycheck, or have it stolen should notify the Executive Director immediately. Grace House will take corrective action to address the circumstances as appropriate.

As a general rule, covered exempt employees receive a salary, which will not be reduced due to the quantity or quality of work performed. Deductions from the pay of covered exempt employees will only be allowed in limited circumstances. Covered exempt employees who believe that there has been an improper deduction from their salary should bring the matter to the Executive Director or her designee. If Grace House determines that there has been an improper deduction, then the employee will receive reimbursement.

Pay Periods

Compensation is bi-weekly. Please endorse your check and cash or deposit it within thirty (30) days. If you would like direct deposit of your paycheck, the Administrative office can provide the appropriate forms.

Pay Advances

No pay advances will be given.

SECTION 7
STANDARDS OF CONDUCT

ATTENDANCE POLICY

You are an essential member of our team and teamwork is the heart of our ministry. It is important that employees be prompt and regular in attendance. If you are unable to report to work on time because of circumstances beyond your control, you should first notify your supervisor as soon as possible on the day you will be absent or tardy. Second, you should notify your shift partner (if applicable).

ABSENTEEISM

The organization and your coworkers depend on you. The success of the organization is dependent on everyone doing his or her job. When you are absent or late, it is difficult to cover shifts. If you are unable to report to work, your supervisor must be given notice as far in advance as possible so the vacancy can be filled with a minimum of inconvenience to the operation and to your coworkers.

If your absence will be longer than one (1) day, your supervisor must be given an expected date of return. Should this date change, notify your supervisor immediately. The organization may require medical certification for any absence. When returning to work after an illness of three (3) days or more, a written medical release from your doctor may be required. The organization reserves the right to request a doctor's statement or require the employee to be examined by a physician of the organization's choice and the organization's expense. If you are given a conditional medical release, the doctor must state what the conditions of the partial release are and specify any job limitations.

In cases of serious personal illness or other situations in which advance notice is impossible, notify your supervisor as soon as you can. A member of your immediate family may, if necessary, fulfill this obligation.

In addition to being punctual and present, employees are expected to be on task while at work.

Excessive tardiness or absenteeism may result in disciplinary action, up to and including termination. An absence for a period of three (3) consecutive workdays without contacting your supervisor to request approved time off shall be considered voluntary termination of employment.

PROHIBITION ON FRATERNIZATION

Grace House strictly prohibits romantic or sexual relationships between any employee and another employee of the Ministry unless the employees are married to each other. Violation of this policy is grounds for the discipline of the employees, up to and including immediate termination.

ANTI-HARASSMENT POLICY

A fundamental tenet of Grace House is that the workplace is for work. Our goal is to provide a workplace free from tensions involving matters that do not relate to the Ministry or its mission. In particular, we are committed to providing a work place that is free of discrimination and unlawful harassment, including, but not limited to, discrimination or harassment based upon race, color, gender, pregnancy, childbirth or related medical condition, national origin, citizenship, age or disability ("protected characteristics"). Violation of this policy can lead to termination of employment, liability for the corporation, and civil and/or criminal liability for the harassing employee as an individual.

Harassment of employees, agency representatives, service providers, suppliers,

volunteers, visitors, or of applicants by other employees who demeans another person and undermines the integrity of the employment relationship is prohibited.

To promote a work place free of harassment and to avoid the risk of creating harm to the reputation and resources of the Ministry, all employees should refrain from any workplace behavior or conduct which could be viewed as harassment.

Race/Color Harassment

Race and color harassment is intimidating, ridiculing, denigrating, and insulting conduct towards individuals based upon their race or color which is sufficiently severe or pervasive to alter the conditions of the individual's employment and create an abusive work environment. The following is a list of examples which illustrate conduct which is prohibited in the workplace:

- Jokes, taunts, or comments which demean, offend, or degrade individuals based upon their race or color;
- Making derogatory remarks about individual characteristics or physical characteristics associated with race or color;
- Subjecting individuals to racial or ethnic derogatory epithets, slurs, or negative stereotyping, denigrating or hostile language;
- Subjecting individuals to threats and intimidation based upon race or color;
- Subjecting individuals to shouting and public displays of contempt which humiliate them based upon race or color;
- Displaying or possessing derogatory, denigrating, stereotypical written material, objects, pictures, memorabilia, posters, cartoons, caricatures, nooses, hoods, flags, or symbols which have a negative connotation associated with race or color;
- Isolating, segregating, ostracizing or subjecting employees to less favorable working conditions based upon race or color;
- Accessing and transmitting communications on the Ministry's computers which promote prejudice based upon race or color;
- Making statements and treating employees as if they are inferior based upon race or color.

Disability Harassment

Disability Harassment occurs when individuals are subjected to repetitive contemptuous, degrading conduct based upon their disability or perceived disabling condition which is sufficiently severe or pervasive to alter the conditions of the individual's employment and create an abusive work environment.

Examples of conduct prohibited by this policy include:

- Jokes, taunts, comments or teasing, which berate and insult individuals based upon perceived or actual disabilities or physical characteristics;
- Using derogatory, stereotypical, degrading or hostile language to describe individuals with a disability;
- Directing derogatory, negative, stereotypical, degrading or hostile language towards individuals based upon perceived or actual disabilities;
- Subjecting individuals to ridicule or humiliation in front of peers based upon actual or perceived disabilities;
- Isolating, ostracizing, separating, or segregating individuals from the workforce based upon actual or perceived disabilities;
- Mocking, mimicking, or imitating individuals with actual or perceived disabilities;
- Displaying or possessing offensive posters, pictures, graffiti, caricatures,

- cartoons, graphics, symbols, or other written material portraying individuals with disabilities in a negative light;
- Transmitting or accessing internet communications which promote bigotry or exclusionary practices based upon disabilities.

National Origin/Citizenship Harassment

National origin/citizenship ("ethnicity") harassment is defined as continuous degradation, intimidation, and ridicule, based upon ethnicity or citizenship status which result in making the workplace a hostile environment and significantly affects the individual's workplace experience. Examples of conduct constituting harassment which are prohibited are the following:

- Subjecting individuals to joking, taunting, teasing, degrading, insulting, and offensive comments based upon their ethnicity;
- Displaying pictures, posters, graffiti, or stereotypical cartoons, caricatures, objects, graphics, written material, based upon ethnicity;
- Making offensive remarks regarding physical characteristics associated with ethnicity;
- Isolating, segregating, or ostracizing individuals based upon ethnicity;
- Directing threats and intimidation to individuals based upon ethnicity;
- Making derogatory, insulting, stereotypical comments or epithets about other individuals who are of the same ethnicity;
- Subjecting individuals to ridicule or humiliation in front of co-workers based upon ethnicity;
- Treating employees with disdain and disrespect, based upon ethnicity;
- Making employment decisions or limiting opportunities based upon negative stereotypes attributed to individuals based upon ethnicity;
- Making statements such as those which direct individuals to "go back to your country" or to "get back on the boat;"
- Making statements which indicate that the individuals are interlopers and do not belong in the workforce.

Age Harassment

Age harassment is persistent, seriously offensive conduct which has the purpose of intimidating, demeaning, and disadvantaging employees in workplace opportunities and creating an abusive environment based upon age. The following are illustrative examples of conduct which is prohibited in the workplace:

- Joking, taunting, teasing, insulting, or ridiculing employees based upon age and characteristics associated with age;
- Making stereotypical comments indicating that individuals are limited in abilities and performance because of age;
- Subjecting employees to embarrassing or shameful and offensive remarks in the presence of peers based upon age;
- Subjecting employees to threatening or intimidating behavior based upon age;
- Making employment decisions or assignments or reducing responsibilities or benefits based upon age;
- Devaluing employees' accomplishments or contributions based upon age;
- Suggesting that employees should go home or retire because of diminished capacity associated with age;
- Displaying or possessing derogatory, stereotypical objects, pictures, cartoons, graphics, posters, caricatures, graffiti, symbols or written material based upon age;

- Accessing or transmitting stereotypical or prejudicial ageist communications on the Ministry's computers;
- Derogatory comments about illnesses or conditions associated with aging, such as Alzheimer's, dementia, menopause, or impotency.

Gender/Pregnancy Harassment

Harassment based upon gender, pregnancy, childbirth, or other related medical conditions is defined as action and behavior which is un-relentless, insulting, demeaning, derisive, and denigrate based upon the protected characteristic of gender or pregnancy which is so substantial that it impedes the individual's ability to function in the workplace and creates a hostile environment. Examples of prohibited conduct include:

- Joking, taunting, or teasing which ascribe certain characteristics or limitations to individuals based upon gender or pregnancy;
- Subjecting individuals to threatening, intimidating, berating remarks in the presence of coworkers based upon gender or pregnancy;
- Making employment decisions or assignments based upon stereotypes related to gender or pregnancy;
- Making demeaning, negative, offensive or stereotypical remarks about other people of the same gender or who are pregnant;
- Making inane comments such as "women should be kept barefoot and pregnant" or "we should not hire women because they leave once they get pregnant;"
- Displaying or possessing demeaning objects, pictures, memorabilia, posters, cartoons, caricatures, symbols or written material or graffiti related to gender or pregnancy;
- Exclusionary practices based on gender or pregnancy;
- Subjecting employees to threatening or intimidating conduct based upon gender or pregnancy;
- Use of vulgar, obscene language or jokes related to characteristics associated with gender or pregnancy;
- Accessing or transmitting internet communications encouraging prejudice based upon gender or pregnancy.

Sexual Harassment

Sexual harassment is unique, relative to other harassment, in several respects. Traditionally, sexual harassment claims have been based on the premise that individuals with power over an employee's employment required sexual favors in return for job benefits. Sexual harassment may also exist where an employer tolerates an abusive work environment which alters the conditions of the employee's employment or interferes with job performance based upon sex. The following are examples of prohibited conduct in the workplace:

- Allowing unwelcome flirtations, engaging in sexual banter or sexual advances or propositioning, even if this conduct was initially welcomed or initiated by the objecting employee;
- Jokes, taunts, comments which demean, offend or degrade individuals or categories of individuals because of sex;
- Offensive, abusive, unwarranted or uninvited touching, hand holding, fondling, bodily contact, or any sexually motivated physical contact;
- Conversations and comments about sex including, but not limited to, your own sexual activities and experiences and those of other employees;
- The implication or threat to an applicant or employee that cooperation of a

sexual nature (or refusal thereof) will have any effect on that individual's employment, assignment, compensation, advancement, career development or any other term or condition of employment;

- Making sexual innuendos in the workplace and/or using language which is sexually oriented, sexually explicit, sexually suggestive and/or obscene;
- Use of vulgar, or obscene language or jokes, or otherwise making graphic, degrading, disparaging or demeaning comments or remarks about an individual or his/her appearance;
- Comments regarding another employee's body, or anatomy;
- Blocking the movements of any other employee;
- Displaying or possessing sexually suggestive or obscene written materials, magazines, calendars, objects, pictures, memorabilia, posters, caricatures, cartoons, or symbols;
- Accessing pornographic, or sexual sites on the Ministry's computers;
- Transmitting pornographic, and sexual communications on the Ministry's computers;
- Making or threatening reprisals after a negative response to sexual advances;
- Making sexual gestures.

The foregoing examples of prohibited conduct are intended to be illustrative and are all inclusive. The purpose of this policy is to prevent discriminatory conduct and to practices and behavior before the conduct reaches the level of severity and pervasive sufficient to constitute harassment. Accordingly, an individual may be subject to disciplinary action, up to and including termination, for engaging in any single prohibited offense which, undeterred, could result in harassment.

WHAT TO DO IF YOU FEEL OUR POLICY HAS BEEN VIOLATED

Grace House will not tolerate unlawful discrimination or harassment and will do its best to deter, prevent and punish any conduct which creates an intimidating, hostile, or offensive work environment for its employees. All reported incidents of harassment will be investigated in a timely manner. To the extent practicable, our investigation will be confidential with due regard for the sensitive nature of such complaints.

Any employee who believes she/he has been subjected to discrimination or harassment should immediately report it to the Executive Director. We also request that the employee submit a written report so that the Ministry can have complete, properly documented information. Employees can be assured no employee will suffer retribution or reprisal for raising concerns or reporting incidents of discrimination or harassment.

Likewise, any person who becomes aware of possible discrimination or harassment should promptly contact the Executive Director so all appropriate steps can be taken to promote an atmosphere free of discrimination or harassment.

If the results of the investigation show that an individual engaged in prohibited activity(s), that person will be subject to appropriate disciplinary action, up to and including immediate termination of employment, regardless of the individual's position with Grace House.

We expect you to help us implement our antidiscrimination/anti-harassment policy. We expect you to treat your fellow employees with respect and courtesy. We expect you to perform your work in a professional manner with concern for the well being of your fellow employees.

ANTI-RETALIATION POLICY

Grace House is committed to providing a work environment in which employees may complain about alleged discrimination or other problems, including harassment, without fear of retaliation. The Ministry strictly prohibits discrimination against any employee because he or she has opposed any unlawful employment practice or because he or she has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding or hearing regarding such alleged practices. Examples of retaliation include:

- Denial of promotion;
- Denial of job benefits;
- Demotion, suspension or discharge;
- Threats;
- Reprimands or negative evaluations;
- Harassment, such as stripping of job duties or clerical support, isolating the employee, or otherwise denigrating him or her.

Any employee who wants to report an incident of retaliation should promptly report the matter to the Executive Director. Employees can raise concerns and make reports without fear of reprisal or retribution.

All reports of retaliation will be maintained in confidence to the extent practicable. Grace House will promptly conduct a thorough and unbiased investigation of all reports.

Any supervisor who becomes aware of possible retaliation shall promptly advise the Executive Director. Anyone engaging in retaliation will be subject to disciplinary action, up to and including immediate termination of employment.

SUBSTANCE ABUSE POLICY

1. General Policy- Drug and Alcohol Free Workplace

Grace House is committed to protecting the safety, health, and well-being of the residents, its employees, visitors, and all people who come into contact with the organization, and/or use its services. Grace House is also dedicated to providing a productive work environment to ensure efficient operations.

Drug and Alcohol use pose a direct and significant threat to this goal, leads to unacceptable safety risks, and undermines the efficacy of the Ministry's mission and operations. The Ministry has adopted a policy of maintaining a workforce free of drugs and alcohol. Grace House therefore strictly prohibits the illicit use, possession, sale, consumption, purchase, conveyance, distribution, or manufacture of illegal drugs, intoxicants, or controlled substances in any amount, on any Ministry affiliated worksite and all other locations where an employee is engaged in Grace House business. This means that employees are prohibited from having alcohol or controlled substances in their systems without medical authorization during the employees' work hours, on the premises, or while on duty. Such conduct is also prohibited outside scheduled working hours to the extent that Grace House Ministries regards it as impairing the employee's ability to perform on the job or inconsistent with the mission of Grace House Ministries.

2. Policy Objectives

A. To create and maintain a safe, drug and alcohol free working environment for

all employees.

B. To reduce problems of absenteeism, tardiness, carelessness, and/or other unsatisfactory matters related to job performance.

C. To reduce the likelihood of incidents of accidental personal injury and/or damage to employees, residents, the general public, or property.

D. To comply with contractual obligations to vendors, consultants, and contractors, to comply with Federal and State law, and to comply with Ala. Code, (1975), §25-4-78 and §25-5-51.

E. To minimize the likelihood that Grace House property will be used for illicit alcohol and/or drug activities.

F. To protect the reputation of Grace House and its employees within the community.

3. Coverage

Grace House's Substance Abuse Policy covers all Grace House employees who work full-time or part-time.

4. Definitions

A. Alcohol is ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, from whatever source or by whatever process produced.

B. Company Premises include, but are not limited to Grace House offices; Grace House property; Grace House job-sites; Grace House vehicles; personal and/or leased vehicles while on Grace House business or on Grace House Premises.

C. Confirmation Test or Confirmed Test is a second analytical procedure used to identify the presence of a specific drug or metabolite or alcohol in a specimen. The confirmation test shall be different in scientific principle than that of the initial test procedure. The confirmation method shall be capable of providing requisite specificity, sensitivity, and quantitative accuracy.

D. Drugs as used in this policy include illegal use of controlled substances, drugs which are not legally obtainable, or the improper use of prescriptions. Unless otherwise stated, this term includes, but is not limited to amphetamines, cannabinoids, phencyclidine ("PCP"), methadone (unless specifically prescribed as part of a narcotic substance abuse treatment program), opiates, cocaine methaqualone, barbiturates, benzodiazepines, propoxyphene, or a metabolite of any of these substances.

E. The Medical Review Officer ("MRO"), is a licensed physician, who is responsible for receiving laboratory results of substance abuse tests.

F. Prescription Medication ("Prescription Drug") is a drug or medication lawfully prescribed by a physician for an individual and taken by that individual in accordance with the prescription.

G. Safety Sensitive Functions means job functions that involve safety, including, but not limited to working at heights, operation of Grace House vehicles, machinery, or equipment, which if mishandled, may place the employee, fellow

employees, residents, or the general public at risk of injury, or the nature of which would create a safety risk in the workplace.

H. Substance refers to drugs or alcohol.

I. Substance Abuse Test or Test is any chemical, biological, or physical instrumental analysis administered for the purpose of determining the presence of a drug or alcohol, including, but not limited to, blood, hair, saliva, urinalysis, and breathalyzer tests.

5. Drug and Alcohol Testing Coordinator

The Executive Director or his/her designee is designated as the Drug and Alcohol Testing Coordinator (the "Coordinator").

6. Drug and Alcohol Testing

All drug testing shall be conducted and evaluated pursuant to the standards set forth by the United States Department of Transportation ("DOT") in 49 C.F.R. Part 40, or standards shown by Grace House to be otherwise reliable.

7. Drug and Alcohol Use/Distribution/Possession

All employees are prohibited from possessing, distributing, manufacturing, or having a detectable presence of any drug substance, abused prescription drugs, alcohol, or any other mind altering or intoxicating substances in their possession or in their systems, while at work, or on duty, during lunch or other break, or on Company Premises, or while operating Grace House vehicles and/or equipment. Employees are also prohibited from possessing or using drug paraphernalia on Company Premises or while on duty.

8. Off-Duty Conduct

Grace House prohibits off-duty use of drugs, alcohol or any other prohibited substances which cause impaired work performance, which may include absenteeism, tardiness, poor work performance, damage to the employer's reputation, or inferior quality of work.

9. Arrest/Conviction

Employees are required to notify the Executive Director of any arrest, charge or conviction which relates in any way to drugs and/or alcohol. Such notification must be made before the employee starts to work on the first business day after the arrest/conviction. A conviction means a finding of guilt. Failing to report an arrest or conviction will result in termination of employment.

10. Prescription Medications

The proper use of medication that is legally prescribed by a physician is not prohibited. Employees performing Safety Sensitive Functions as defined above, shall notify their supervisor whenever a prescription medication is taken if the medication is mind altering, mood altering or lists as common side effects lethargy, listlessness, drowsiness, or irritability or cautions regarding the operation of equipment, heavy or otherwise, or the use of motorized vehicles. Prescription medication must be maintained in the original container.

11. Substance Abuse Testing Program

Conditions for which testing shall be conducted:

i. Pre-Employment Testing for drugs shall be required of all applicants that

receive a conditional offer of employment. Prior to testing, the applicant shall be asked to voluntarily sign a Consent to Substance Abuse Testing, Consent to Search and Release of All Claims form. Each prospective employee shall also be asked to voluntarily sign an Authorization Form, which authorizes the release and disclosure of the results of the pre-employment drug screening test to Grace House. If an applicant refuses to sign said forms, consideration for employment shall be withdrawn. If an applicant tests positive for the use of drugs, consideration for employment shall be withdrawn. The applicant has five days to contest or explain a confirmed positive test after written notification of such result from Grace House. Applicants who have received conditional job offers are cautioned against giving notice at their current job, or incurring any cost associated with accepting employment at Grace House until notified by Grace House that a negative drug test has been received.

ii. Reasonable Suspicion Testing for drugs and/or alcohol shall be required when it is believed that an employee is using or has used drugs or alcohol in violation of Grace House policy. Testing shall be based upon specific, articulated facts and reasonable inferences as identified on the "Reasonable Suspicion Report Form." Such facts and inferences may be based upon, but not limited to, the following:

- Direct observation of substance abuse or of the physical symptoms or manifestations of impairment due to possible substance use.
- Abnormal conduct or erratic behavior while at work, or a significant deterioration in work performance.
- A report of substance abuse provided by a reliable and credible source.
- Evidence that an individual has tampered with any substance abuse test during his or her employment with Grace House.
- Evidence that an employee has used, possessed, sold, solicited, or transferred drugs or alcohol while on duty, or while on Grace House premises or while operating the Ministry's vehicle(s), machinery, or equipment.
- Causing or contributing to cause a workplace accident.
- Arrest, charge or conviction related to drugs or alcohol, or evidence of involvement of the employee in a criminal drug investigation.

The supervisor requesting the testing shall complete, explain in detail the circumstances and evidence warranting testing, and sign the "Reasonable Suspicion Report Form" at the time testing is requested. The supervisor should have the corroboration of another supervisor, when possible, before the employee is requested to be tested.

If use is suspected, the employee will be transported to the collection site for testing. Under no circumstance shall the employee be permitted to drive. The employee shall be suspended until drug and/or alcohol test results are received from that initial drug test.

iii. Post-accident Testing shall be conducted when an employee causes or contributes to any accident resulting in injury requiring more than simple first-aid treatment or, damage to Grace House property in excess of \$25.00, or when the employee causes or contributes to a lost-time accident. The employee shall be tested as soon as possible after the accident.

iv. Job Site Drug and Alcohol Testing. Job site drug and/or alcohol testing

shall be conducted when mandated by a regulatory agency, state agency, or by contract provider of services.

Specimen Collection and Analysis

Specimens shall be collected in a manner that will afford the individual privacy, yet be reasonably calculated to prevent substitution or adulteration of the specimen. The donor will be given the opportunity, after specimen collection, to record any information considered relevant to the test (i.e., current or recently used prescription or nonprescription medication or other medical condition) on the back of the donor's copy of the chain of custody control form.

The employee/applicant shall observe the collector prepare the chain of custody control form and the specimen for shipment. The employee/applicant shall initial and/or sign the appropriate labels and control form for transporting the specimen as verification of the collector preparation of the control form and specimen. All initial tests having a positive result shall be confirmed.

If the employee or applicant receives a positive confirmed test result, Grace House will forward written notification to the applicant or employee. The employee or applicant may contest or explain the result within five (5) working days after notification of the positive test result. The employee/applicant may request another analysis of the original specimen at his or her own expense. If a medical reason caused a positive test result and would not affect the employee's ability to perform his or her duties, the test results will be reported as negative to the Coordinator. The Coordinator will notify the employee of his/her test result.

12. Discipline

An employee may be discharged under the following circumstances:

- Refusing to submit to or cooperate with testing for alcohol or drugs.
- Refusing to execute a Substance Abuse Testing Consent Form.
- Refusing to execute an authorization for the Release of Drug or Alcohol Screening Test results to Grace House or any designated MRO, or revoking said Authorization.
- Testing positive in a confirmed drug or alcohol test.
- Being convicted of a drug or alcohol offense.
- Using, selling or possessing drugs or alcohol while on Grace House premises or engaged in Grace House business;
- Being involved in any inappropriate conduct related to the use, sale, or possession of drugs or alcohol which is in variance with the Mission of Grace House.

13. Warning Regarding Unemployment Compensation

Employees are warned that pursuant to § 25-4-78, Ala. Code, they will be denied unemployment compensation benefits if they are discharged as a result of a confirmed positive drug test, or for refusal to cooperate with a blood or urine test, or if the employee knowingly alters or adulterates a blood or urine specimen. A confirmed positive drug test that is conducted and evaluated according to the standards set forth in 49 C.F.R. Part 40 or standards shown by Grace House to be otherwise reliable shall be conclusive presumption of impairment by illegal drugs.

14. Warning Regarding Workers' Compensation

Employees are warned that pursuant to § 25-5-51, Ala. Code, no compensation

shall be allowed for an injury or death if an accident is due to the employee being intoxicated by the use of alcohol or being impaired by illegal drugs. A positive drug test conducted and evaluated pursuant to standards adopted for drug testing by the U.S. Department of Transportation in 49 C.F.R. Part 40, shall be a conclusive presumption of impairment resulting from the use of illegal drugs. Further, no compensation shall be allowed if an employee refuses to submit to or cooperate with a blood or urine test.

15. Education and Training

A. Employees shall receive education which will include at a minimum a semi-annual program for one hour on the following subjects:

- An explanation of the disease model of addiction for alcohol and drugs;
- The effects and dangers of commonly abused substances in the workplace;
- Grace House's policy and procedures regarding substance use and how employees who wish to obtain substance abuse treatment can do so.

B. Supervisors shall receive an additional training which will include at a minimum a semi-annual program for 2 hours on the following subjects:

- How to recognize signs of employee substance abuse;
- How to document and corroborate signs of employee substance abuse;
- How to document and report use of prescription medication by employees performing Safety Sensitive Functions.

16. Confidentiality of Information

All information, interviews, reports, statements, memoranda, and test results, written or otherwise, received through Grace House's Substance Abuse Policy and procedures shall be held as confidential communications by Grace House, MROs, laboratories, and their respective agents. These communications may be used or received in evidence, obtained in discovery, or disclosed in any civil or administrative proceeding. However, information on test results shall not be released or used in any criminal proceeding against the employee or applicant. Release of such information under any other circumstance shall be pursuant to a written authorization form signed voluntarily by the individual that was tested, unless the release is compelled by an agency of the state or a court of competent jurisdiction, or unless deemed appropriate by a professional or occupational licensing board in a related disciplinary proceeding.

17. Record Keeping

All confidential information described in paragraph 16 above, will be placed in a medical file maintained separately from an employee's general personnel file.

18. Rehabilitation/Counseling Opportunities

Counseling Opportunities

Grace House does not offer rehabilitation or counseling services. However, we are committed to assisting any employee in identifying local resources that offer counseling.

19. Investigations and Searches

1. Policy

Grace House may search or inspect employees' personal vehicles, lockers, work areas, desks, tool boxes, and/or personal belongings of employees on company premises without advance notice or the presence of the employee(s). Supervisors should initially request employees to be present and to remove personal locks; however, where an employee cannot be present or refuses to remove a personal lock, Grace House will do so. Any employee will be subject to discipline, including discharge where he refuses to cooperate in any aspect of a search. Employees are cautioned not to keep sensitive or personal materials at work or on company premises which may be discovered in such a search. There should be no expectation of privacy for such matters on company premises.

2. Responsible Managers

All searches should be coordinated with and approved by the Executive Director. Where appropriate, Grace House may contact appropriate law enforcement authorities having jurisdiction. A violation of this policy will lead to disciplinary action up to and including termination.

WORKPLACE VIOLENCE PREVENTION POLICY

Grace House is dedicated to maintaining a safe environment and preventing workplace violence. All residents, employees, consultants and guests, should be treated with courtesy and respect at all times. Conduct that threatens, intimidates, or coerces residents, a consultant, employees, or a visitor at any time, including off duty periods, will not be tolerated.

In an effort to prevent violence that may occur during business hours or on Grace House premises, the Ministry has developed these guidelines to identify and define prohibited conduct, which includes, but is not limited to:

- physically or verbally threatening another individual
- the intentional destruction or threat of destruction of company property or a co-employee's property while at work
- harassing or threatening phone calls or written communications, stalking
- advocating or threatening the illegal use of weapons or bombs threats or attempts to commit suicide, fighting, horseplay
- advocating or threatening revenge based upon a workplace occurrence.

Employees are prohibited from possessing firearms, weapons, knives and other dangerous instruments or hazardous devices on the organization's premises, including the parking areas, without proper authorization.

All threats of violence, violent acts, potentially volatile situations, and all conduct prohibited by this policy should be reported as soon as possible to your immediate supervisor, the Executive Director or any other management official. This includes threats by employees, as well as threats by residents, vendors, solicitors, or other members of the public. Reports should be as specific and detailed as possible. Additionally, any emergency, crisis or situation posing imminent danger should be immediately reported to the Executive Director.

The Ministry will promptly and thoroughly investigate all reports. The identity of the individual making a report will be protected as much as is practical. No person will be subject to retaliation or reprisal as a result of making a report. In order to maintain workplace safety and the integrity of its investigation, Grace House may suspend employees, either with or without pay, pending investigation. Anyone determined to be responsible for threats of violence; violent acts or other conduct that is in violation of these guidelines will be subject to prompt

disciplinary action up to and including termination of employment.

Grace House adheres to the Peace Maker model; a biblical conflict resolution model. By this model, an employee should first address any issue or concern with the person with whom they have an issue. If there is no resolution between the two parties, the next level of intervention should include the direct supervisor of the two parties. The Ministry is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

SMOKING

It is the intent of Grace House Ministries to create a smoke-free environment for our employees. Smoking is not allowed inside any facility or vehicle during an employees work hours.

SAFETY

Grace House is committed to providing a safe and healthy work environment for residents, employees, and visitors. This is a top priority. The success of this goal depends on the alertness and personal commitment of all employees and staff
When you think safety, you make things safe for yourself and your fellow employees.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Unsafe conditions or employee conduct that jeopardizes your safety or the safety of others should be reported immediately to your supervisor or the Executive Director. Such reports will be investigated and appropriate action will be taken, including disciplinary action, where appropriate.

In Case of Injury

If you are injured on the job in the normal hours of your employment, you are directed to report the injury to your supervisor and the Executive Director immediately, and to seek medical attention. In case of a life threatening emergency, call 911 and then notify your supervisor immediately. Check with your supervisor for information on reporting accidents and obtaining medical assistance at your specific location. Likewise, if you witness an accident while on duty, you must notify your supervisor. Call 911 first if immediate medical attention is needed and then notify your supervisor.

You must report accidents that result in injury, regardless of how insignificant it may appear. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefit procedures.

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

Employees share responsibility for personal safety and for the security of Grace House property. Any inappropriate behavior by any visitor or suspicious person in the vicinity of the premises should be reported to the Executive Director or if appropriate, the police immediately.

Safety Procedures

Helmets- Residents riding motorcycles, bicycles, go-carts, and other vehicles (besides cars, vans or trucks) on Grace House property shall wear a helmet when the vehicle is in motion.

Eye Protection- Individuals using weed eaters, chainsaws, and other power tools that could result in eye injury will wear glasses, goggles, or some other form of eye protection.

Ear Protection- To prevent long-term injury to hearing, Grace House Ministries provides ear protection as an option for the staff. Such protection should be used when operating a tractor, power saw, or any other activity that may produce sustained, loud sound.

Incident Reporting Procedure- For the purpose of this policy, an incident is an extraordinary circumstance affecting a resident's care, health, safety or well being, including but not limited to altercations or accidents resulting in injuries involving burns, scratches, lacerations, bruises or bloodshed; any incidents of violence, physical abuse or sexual contact; medical situations resulting in unanticipated consequences such as adverse or allergic reactions to medication or side effects or those requiring professional services; altercations causing emotional or mental abuse; or any other crisis or emergent situation. In the event that an incident (or allegation) of the type described above occurs, the following procedures must be followed.

First, an incident report must be completed by the staff member(s) who witnessed the incident. The reported information shall include specifics regarding the incident, who was involved, where and when the incident occurred, identification of the precipitating factors, identification of the outcome, and specification of additional action if any is required. The incident report shall be submitted to the Clinical Director who will inform the Executive Director. All children can call the Clinical Director on her mobile phone.

If any allegation is made about improper contact with a child, an investigation shall be conducted immediately. The investigation should determine whether there was any prior knowledge of the alleged behavior. If no such information is disclosed, all children will be reminded individually or during an appropriate group setting about personal space and safety. The child will be interviewed by the Clinical Director to gather information and to assure the child that she has done the right thing by making a report. Should the Clinical Director suspect or be made aware of inappropriate sexual contact, the Executive Director or her designee shall be a party to any interview. The DHR worker will be advised of the allegation and an official report will be made to DHR. Should an allegation, involve an adult to child contact, the adult shall be taken off duty until a determination can be made. If the allegation involves children, the child who has been identified to be a potential threat to others shall be monitored at all times until sufficient information is gathered to determine whether the child is a threat and requires alternative placement. Should the DHR investigation become extensive, Grace House Ministries will comply with any safety plan or plan of action recommended by DHR.

Reporting to Jefferson County Department of Human Resources

Special reports shall be made to the Jefferson County Department of Human Resources ("DHR") by the Executive Director (or the director's designee) within 24 hours (confirmed in writing within five days) regarding serious occurrences involving children in care, such as serious accidents or injury requiring extensive medical care and/or hospitalization; death; or any incident which results in any federal, state, or private legal action by or against the organization which affects any child, the conduct of the organization, or any person affiliated with the

organization. All incidents of this nature must be reported to the Executive Director who shall be the official reporting agent to DHR.

DRESS CODE/APPEARANCE AND ATTIRE

Our public image is directly dependent on our staff, individually and collectively. People are inclined to judge organizations by the people who represent them. The personal appearance, quality of service and positive attitude of all of our employees are essential to creating and maintaining a favorable public image.

Attire should be conservative, in good taste and promote a business-like professional attitude and image in keeping with your specific job. The best "rule of thumb" is to dress for the position you fill and the people you serve. The organization reserves the right to insist that employees who serve our residents and interact with agency, business community and civic representatives dress professionally.

The organization may specify certain days as casual dress days, however, even on casual days, attire must be in good taste. Provocative, revealing clothes are prohibited. Staff will be notified of these special days in advance.

EMPLOYEE RESPONSIBILITIES

HOUSE RULES

Although Grace House provides for regular maintenance of the property/building and areas; it is the responsibilities of each employee to keep his/her work area clean and orderly. Resident employees are responsible for the clean and orderly condition of their offices and/or assigned residence.

The last person leaving the office/house should be sure that all machines and lights are turned off; doors are locked and the alarm system is activated. The organization's phones are intended for the work of Grace House and the needs of the resident employees. Frequent or lengthy incoming or outgoing personal phone calls are not permitted. Personal long distance calls are not allowed.

In the event of natural disaster, resulting in loss, crisis and/or tragedy, the course of action will be governed by the crisis situation policy. Please refer to the policy position statement on file.

GENERAL RESPONSIBILITIES

All employees are given the following additional responsibilities:

1. To give proper care to equipment and supplies in your use;
2. To be fair and courteous to those with whom you are in contact;
3. To represent Grace House Ministries, Inc. in a manner above reproach by your associates, your community, and those with whom you do business;
4. To maintain the highest possible professional skill and ethics in your everyday business;
5. To reconcile all debts contracted so as to not discredit yourself or the Ministry;
6. To discuss problems at all times with the appropriate authorities, and to request that the Executive Director be properly advised of such problems that need his/her attention and/or action when necessary;
7. To submit suggestions and advice for the improvement of Grace House Ministries, Inc. to the Executive Director; and

8. To use vehicles and equipment owned by Grace House Ministries, Inc. only for Grace House business.

PROHIBITED CONDUCT

To assure orderly operations and provide the best possible work environment, the organization from time to time establishes general work rules. Although it is not possible to list all the forms of behavior that are considered unacceptable in the workplace, the following are examples of the types of infractions which can result in disciplinary action up to and including immediate termination.

- Physical or emotional abuse or mistreatment of residents;
- Use of corporal punishment or other means of physical punishment on residents;
- Failure to comply with all applicable local, state and federal regulations governing child care facilities, including but not limited to, DHR regulations and Minimum Standards;
- Insubordination or lack of cooperation;
- Failing to follow instructions of or to perform work requested by, the Supervisor;
- Failing to meet reasonable standards of efficiency and productivity, or otherwise unsatisfactory job performance and/or repeated substandard work;
- Unauthorized or excessive absences (including failure to report for work, late arrival, early departure or unauthorized absence from duty) from work;
- Excessive break time or repeatedly attending to personal affairs on work time;
- Sleeping during the time in which the employee is supposed to be working;
- Abusing, damaging, wasting, stealing or inappropriately removing or possessing Grace House property, records, or the property of residents or other employees;
- Falsifying your employment application or making misrepresentations on any other personnel records;
- Falsifying Grace House reports or committing fraud with regard to any records (including time sheets, expense accounts, etc.);
- Failure to prepare and submit required reports and/or records in a timely manner;
- Fighting, threatening violence, or otherwise starting a disturbance on Grace House premises or while performing job duties, including, but not limited to, assaulting or intimidating a Grace House resident, employee or visitor;
- Unauthorized possession of firearms, knives, weapons, explosives, or dangerous substances while performing job duties or on Grace House premises;
- Reporting to work in a condition unfit to perform your duties, including reporting to work with measurable amounts of illegal drugs, intoxicants, or controlled substances in your system or being under the influence of alcohol or drugs or controlled substances;
- Possessing, consuming or selling alcohol, illicit drugs or controlled substances on Grace House premises or while performing your job duties;
- Violating a Grace House safety, fire prevention, health, or security rule, policy or practice, or creating or contributing to unhealthy or unsanitary conditions;
- Smoking on the premises or in vehicles;
- Boisterous or disruptive activity in the workplace;
- Conduct leading to damage of Grace House property or the property of coworkers or others;

- Disclosing confidential information without authorization;
- Engaging in activities which interferes with work assignments for the Ministry during working hours;
- Calling in absent after refusal of request for time off
- Using profanity or other vulgar or offensive language;
- Engaging in discrimination or harassment;
- Failing to fully cooperate in any investigation conducted by the Ministry;
- Failing to notify the management of an accident or injury as soon as possible;
- Abuse of phone or other communication systems for personal use;
- Engaging in any conduct which is in variance with the mission and objectives of the Ministry;
- Failure to comply with Grace House policies;
- Acting in conflict with the interests of Grace House.

SECTION 8
PERSONNEL INFORMATION AND
EMPLOYMENT ACTION

JOB PERFORMANCE REVIEWS

All employees are expected to work efficiently and harmoniously and to meet the requirements and standards of their positions. Performance reviews will be conducted to determine whether this objective is met.

At the end of the three (3) month probationary period, the Executive Director or her designee shall perform a "how-goes-it" verbal performance review with each new employee. Following the initial review, an employee's performance is appraised once a year by the supervisor and/or the Executive Director. The evaluation will be signed by the supervisor, Executive Director and the employee. The employee's signature indicates that the employee has reviewed the evaluation; the signature does not necessarily imply agreement. An employee may prepare written material related to job performance for inclusion in his/her personnel file. Such material must be signed by the employee and Executive Director. The Executive Director's signature indicates that the material has been reviewed, and does not imply agreement.

Periodic evaluations are a necessary tool to accurately reflect the employee's job and performance. Based upon the evaluation and the employee's total work record, the employee's salary may be adjusted. It should be understood, however, that any changes in salary are not an automatic part of the performance review but are within the discretion of management. **A performance review does not indicate that an employee is eligible or even being considered for a change in his/her salary.** Similarly, a good evaluation does not guarantee a raise. The Executive Director has the discretion of determining whether an increase in salary will be given.

This decision will be based upon factors, including, but not limited to, merit, the employee's work record, the impact on operations, and the financial condition of the organization.

The Executive Director will be evaluated yearly by the personnel committee of the board of directors.

PERSONNEL RECORDS

It is the policy of the Ministry to maintain personnel records for applicants, employees, and past employees in order to document employment-related decisions, evaluate and assess policies, and comply with government record keeping and reporting requirements. These personnel records are the property of Grace House.

The Executive Director is responsible for overseeing record keeping for all personnel information and will specify what information should be collected and how it should be stored and secured.

Employees must submit a written request to the Executive Director to review their personnel records. An appointment will be scheduled at a mutually convenient time.

Personnel records shall only be accessible to managerial staff, the Executive Director and the supervisor or person responsible for the employee's performance evaluation.

BUSINESS MILEAGE REIMBURSEMENT

Unless you are already provided an auto allowance, you will be compensated for mileage for the use of your personal car for the Ministry's business at the current rate per mile. The Administrative office has travel expense forms for this purpose.

Business Travel

If you are required to travel out of town to conduct the organization's business, Grace House will pay for necessary and reasonable expenditures. Your supervisor will let you know the appropriate procedures for business travel.

SECURITY INSPECTIONS

Grace House wishes to maintain a work environment which is free of illegal drugs, alcohol, firearms, explosives or other instrumentality or substances which could jeopardize the safety of the residents and its employees. The Ministry requires the cooperation of all employees in administering this policy. Towards this end, Grace House reserves the right to request that any employee submit to a security inspection at any time (including during the lunch period) while on Grace House premises or while performing work off-site based on individualized reasonable suspicion or legitimate work-related reasons. The inspection shall be limited in scope to that necessary to achieve the intended objective.

Rooms, desks, lockers, closets, and other storage units may be provided for the convenience of employees but remain the sole property of Grace House and are subject to being searched. Inspections may also include, but are not be limited to; property, equipment, storage rooms, clothing, personal effects, company or personal vehicles, buildings, rooms, facilities, offices, computer hard drives, diskettes, voice mail, electronic mail, desks, or cabinets. Any items that an employee does not want to have inspected should not be brought to work.

Entry onto the premises or job site constitutes consent to searches and inspections. In addition, every employee is required to consent in writing to inspections as a condition of employment.

An employee's refusal to consent to a search or inspection when requested constitutes a violation of this policy and is grounds for an adverse employment action, up to and including immediate dismissal.

DISCIPLINARY ACTION/PROCESS

An employee of Grace House can be discharged at any time if the employee commits an offense for which immediate termination is appropriate, or if in the judgment of the Executive Director, the employee's continued presence would be contrary to the well being of the Ministry and/or any resident, employee or other person. Even so, immediate termination is a serious course of action and management has the prerogative to reserve this action for circumstances when it is clear that less drastic action will not serve the same purpose or the best interests of all concerned. When an employee violates a rule and Grace House decides against immediately terminating the employee, any of the following alternative disciplinary actions may be used as deemed appropriate:

Verbal Counseling: The Executive Director may at his or her discretion, counsel an employee and explain the nature of the infraction. An informal memorandum designated as a record of verbal counseling describing the incident may also be placed in the supervisor's file with a copy to the employee. A warning period may also be imposed on an employee after counseling for work deficiencies. This

period will allow the employee time to improve and will assist Grace House in determining whether continued employment is in the best interest of the employee and the Ministry. This action is intended for minor infractions or first time offenses, if not serious. If additional violations are committed, or the employee's performance does not improve to an acceptable level, and, in the judgment of the Ministry, additional preliminary warnings are not warranted, the employee may be involuntarily terminated.

Written Warning: The supervisor may, at his or her discretion, issue a formal written warning to the employee explaining the nature of the issue, noting any previous violations by the employee, and warning the employee that any further violations could lead to discharge. A copy of the written warning should be placed in the employee's personnel file. If additional violations are committed, or the employee's performance does not improve to an acceptable level and, at the discretion of Grace House, additional preliminary warnings are not warranted, the employee may be involuntarily terminated.

Suspension: The Executive Director may, at his or her discretion, suspend an employee at any time from work without pay. Suspension may be appropriate during the pendency of an investigation or if the employee's presence is disruptive or detrimental to the well-being of the residents or the operation of the organization.

Involuntary Termination: An employee of Grace House may be dismissed at any point during the disciplinary process without advance notice. The existence of a verbal or written warning or designation during the disciplinary period does not give the employee the right to continued employment for any specified period of time. Similarly, completion of the probationary period does not guarantee continued employment.

KEEP IN MIND THAT THE MINISTRY HAS NO OBLIGATION TO USE ANY ONE OR MORE OF THESE FORMS OF DISCIPLINE PRIOR TO DISCHARGING AN EMPLOYEE. THESE PROCEDURES ARE GUIDELINES TO ASSIST MANAGEMENT BY SUGGESTING TYPES OF DISCIPLINE OR REMEDIATION TO USE DEPENDING UPON THE CIRCUMSTANCES. IT IS WITHIN THE MANAGEMENT'S SOLE DISCRETION TO DETERMINE WHETHER ANY OF THESE STEPS ARE WARRANTED. THEREFORE, ANY OR ALL OF THESE STEPS CAN BE OMITTED AS THE MINISTRY DEEMS APPROPRIATE, AT ITS PERSONNEL INFORMATION AND EMPLOYMENT ACTION DISCRETION. THE USE OF THESE ALTERNATIVE DISCIPLINARY STEPS IN NO WAY ALTERS THE AT-WILL NATURE OF THE EMPLOYEE'S EMPLOYMENT. MOREOVER, BY ESTABLISHING THIS DISCIPLINARY PROCEDURE GRACE HOUSE IS NOT RELINQUISHING OR LIMITING ITS MANAGERIAL RIGHT TO DISCHARGE AN EMPLOYEE FOR ANY REASON OR NO REASON AT ALL, AT ANY TIME, WITH OR WITHOUT ADVANCE NOTICE.

If an employee does receive the benefit of any of these methods of constructive counseling, however, he or she should be sure to take advantage of the opportunity to learn from his or her mistakes.

TERMINATION OF EMPLOYMENT

Employment with Grace House can be terminated as a result of the employee's

resignation, discharge, retirement, the completion of a temporary assignment or special project, or a reduction in the workforce. Discharge can be for any reason not prohibited by law. Grace House also reserves the right to terminate employment at any time for any reason or no reason in accordance with the at will nature of employment. Upon termination by Grace House or the employee's resignation, the employee must return all Grace House property.

EXIT INTERVIEW

The Executive Director may schedule an exit interview with an employee before termination becomes effective. This interview should establish that the termination is not based upon a misunderstanding. Review of the employee's eligibility for employment benefits and arrangement of final pay shall be conducted at this time.

RESIGNATION

Employees may resign at any time for any reason or no reason. Employees choosing to resign should give at least two (2) weeks notice (hourly staff) and four (4) weeks (salaried staff) advance notice before the employee's final working day. Grace House will appreciate this opportunity to make arrangements to cover the vacancy created by your leaving. This length of time is desirable in order to facilitate a smooth transition that may involve the residents, staff and volunteers.

Upon receipt of notice, the Executive Director may, at his or her discretion, waive or reduce the requirement that the employee must work out the full notice. If the Ministry waives the requirement that the employee work the full notice, the employee shall not be paid for that period. Failure to give Grace House the required notice will jeopardize the employee's good standing and eligibility for rehire with the Ministry.

Employees who are absent from work for three (3) consecutive days without providing notice or being given permission shall be considered to have voluntarily resigned.

REFERENCES

The Executive Director is the only person authorized to disclose information and any phone calls or written inquiries seeking such information should be directed to the Executive Director.

The standard procedure of the Ministry is to only confirm the dates of employment and positions held if a request for a reference is made regarding a current or former employee.