

LANE~SCOTT ELECTRIC COOPERATIVE, INC.



POLICY HANDBOOK

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: January 8, 2018

Policy No.: 100

Supersedes Date: No Date on Previous Adoption by the Board

SUBJECT: Policy Guideline

POLICY:

The policy statements of the Board of Trustees, as promulgated by the Board of Trustees, provide guidance in the functions of this Cooperative. No policy should be viewed, nor does any policy create, any right, obligation or contract. Policies may be waived, in a single consideration or for a single incident, by the General Manager, if appropriate, or by the Board of Trustees, by affirmative vote, for good cause, as determined by the General Manager or Board of Trustees.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: March 1, 2010

Policy No.: 101

Supersedes Date: June 28, 1993
May 1969

SUBJECT: Area Coverage

POLICY:

The cooperative will construct and operate electric transmission, distribution and service lines, together with all necessary equipment, in the counties of Finney, Gove, Hodgeman, Lane, Logan, Ness, Rush, and Scott for the purpose of furnishing electric service to consumers or members who:

- 1) Desire such service, and
- 2) Meet all reasonable requirements established by the Cooperative as a condition of such service.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 2, 2018

Policy No.: 102

Supersedes Date: June 28, 1993

No Date on Previous Adoption by the Board

SUBJECT: Service Reliability

POLICY:

The cooperative will strive to provide members with un-interrupted electrical power at proper voltages consistent with good management practices. The goal of Lane-Scott Electric Cooperative shall be to insure that the quality of service is adequate when measured with industry standards and to reinstate services as soon as practicable during outages.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 2, 2018

Policy No.: 103

Supersedes Date: June 28, 1993
April 1958

SUBJECT: Depositing Financial Instruments

POLICY:

No officers or employees have the right or authority to cash any financial instrument, including but not limited to, check or money order payable to the cooperative or its representatives, and all such checks or money orders shall be endorsed for deposit only and deposited to the credit of the Cooperative in an established account at a bank serving as a depository of the cooperative.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 4, 2017

Policy No.: 104

Supersedes Date: August 23, 2004
June 28, 1993
January 1958

SUBJECT: Depositories

POLICY:

The Cooperative shall use state or federally chartered banking institutions located within the service territory as depositories, as determined by the Board of Trustees, in the conduct of its business.

All checks drawn on accounts of the cooperative shall require an authorized signature and counter signature.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 4, 2017

Policy No.: 105

Supersedes Date: August 23, 2004
April 26, 1993
No Date on Previous Adoption by the Board

SUBJECT: Audit of Accounting Records

POLICY:

Books of accounts and supporting records shall be audited annually by an independent Certified Public Accountant selected by the Board and approved by RUS or the lender or lenders to the cooperative if any. Auditing standards shall conform to RUS and current accepted accounting principles, standards and procedures for CPA's auditing of the books of RUS borrowers.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 2, 2018

Policy No.: 106

Supersedes Date: April 26, 1993
November 1955

SUBJECT: Statewide Emergency Plan

POLICY:

The Cooperative shall adopt, in cooperation with KEC, The Kansas Electric Cooperative Mutual Aid Plan and participate in mutual aid plan with other cooperatives.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 23, 2004

Policy No.: 107

Supersedes Date: April 26, 1993

No Date on Previous Adoption by the Board

SUBJECT: Studies for Power Requirement, Finances, and Long-Range Planning.

POLICY:

To insure the continued success and reliable service of the Cooperative the General Manager is instructed to:

1. Collaborate with RUS and other consultants in keeping necessary information for power requirement and financial studies.
2. Call to the Boards attention changing conditions that will require modification in these studies.

The board shall review and be responsible for adopting any study and subsequent changes.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 23, 2004

Policy No.: 108

Supersedes Date: April 26, 1993
February, 1970

SUBJECT: Official Cooperative Color

POLICY:

It shall be the policy of the Cooperative that all new line vehicles purchased shall be white in color.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: August 23, 2004

Policy No.: 109

Supersedes Date: May 24, 1993
June, 1952

SUBJECT: Reward for information on persons vandalizing Cooperative equipment.

OBJECTIVE:

To prevent destruction of cooperative property and unnecessary endangerment of lives and property.

POLICY:

It shall be the policy of the Cooperative that the General Manager shall have the right to offer a monetary reward to any person who offers information leading to the arrest and conviction of anyone who vandalizes the Cooperatives equipment. The size of the reward shall be left to the discretion of the General Manager, but will not be less than \$50.00 or more than \$2,000.00.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: May 24, 1993

Policy No.: 110

Supersedes Date: May 1956

SUBJECT: Power Pole Attachments

POLICY:

It shall be the policy of the Cooperative that any company desiring to attach any and all apparatus to the Cooperatives poles shall be subject to the following:

- 1) A yearly rental fee in accordance with industry standards.
- 2) Compliance with any industry engineering standards applicable to the apparatuses attached. An inspection of the attachments shall be made by Cooperative personnel to insure the compliance therefore any noncompliance of the aforementioned shall constitute reason by the Cooperative to give notice to render the situation in a reasonable amount of time or the Cooperative shall remove the companies attached equipment.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Policy No.: 111

Dated: April 2, 2018

Supersedes Date: May 24, 1993
December 1969

SUBJECT: Economic Development

OBJECTIVE:

It is the belief of the Board of Directors that community spirit economic development is of the utmost importance to the Cooperative and its members therefore warranting the following:

POLICY:

It shall be the policy of the Cooperative that the personnel of the Cooperative are hereby encouraged to actively participate in area economic development or civic endeavors.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022

Policy No.: 112

SUBJECT: Assistance Calls and Damage to Cooperative Facilities.

POLICY:

- A. If the member should call an electrician and the electrician finds the trouble to be on the Cooperative's side on the meter, the Cooperative will reimburse the member for the cost of the electrician's service call.
- B. Assistance requested of the Cooperative's line personnel and equipment by consumers and others shall be done as the regular work requirements of the Cooperative permits. This will include such items as taking out trees for which the Cooperative has no maintenance requirements, assisting on house moves to permit safe passage under cooperative lines, etc.
- C. Charges shall be based on costs incurred by the Cooperative. It will be done as a convenience to the public and shall be intended to return an adequate margin to the cooperative.
- D. The minimum charge shall be for at least one hour of time.
- E. Rates will be subject to revision whenever changes in costs make it necessary and shall be reviewed at least once a year. The General Manager shall review and make recommendations to the Board. A copy of the schedule of charges showing current charges shall be available in the office for use and inspection.
- F. An advance deposit may be required whenever Cooperative personnel are needed for work on non-member facilities. The deposit shall be adequate to cover the expected cost of the job. Any excess deposit shall be refunded promptly upon completion of the work and preparation of the bill.
- G. Any damage to Cooperative facilities by members or others will be billed at the rates set forth in this policy.

ATTESTED


Secretary

(seal)

Revisions: September 11, 2017
 January 5, 2015
 August 9, 2010
 November 26, 2007
 August 23, 2004
 January 20, 1997
 December 26, 1994
 June 27, 1994
 May 24, 1993
 September 24, 1990

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: November 1, 2021

Policy No.: 113

SUBJECT: Capital Credits

I. OBJECTIVE:

The objective of this Capital Credits Policy ("Policy") is to state the general policy of Lane-Scott Electric Cooperative, Inc., ("Cooperative") for allocating and retiring capital credits.

II. POLICY:

The Cooperative shall allocate and retire capital credits in a manner that:

- A. is consistent with state and federal law;
- B. is consistent with operating on a cooperative basis under federal tax law;
- C. is fair and reasonable to the Cooperative's patrons and former patrons;
- D. provides the Cooperative with sufficient equity and capital to operate effectively and efficiently; and
- E. protects the Cooperative's financial condition. Subject to law, the Cooperative's Articles of Incorporation, and the Cooperative's Bylaws, the allocation and retirement of capital credits are at the sole discretion of the Cooperative's Board of Trustees ("Board").

III. PROCEDURE:

- A. **Board Approval.** The Cooperative shall allocate and retire capital credits according to the manner, method, timing, and amount approved by the Board.
- B. **Operating Margin Allocations.** As required by the Cooperative's bylaws, for electric energy sales provided by the Cooperative on a cooperative basis during a fiscal year, the Cooperative shall allocate on a patronage basis to each patron during the fiscal year, the Cooperative's operating margins from providing the electric energy sales during the fiscal year. Capital credits allocated and credited to the Cooperative by its affiliated G&T cooperative in connection with the furnishing of electric energy to the Cooperative will be separately allocated on a patronage basis.
- C. **Operating Margin Loss Allocations.** For electric energy sales provided by the Cooperative on a cooperative basis, the Cooperative shall offset operating losses with the Cooperative's operating earnings from providing the electric energy sales during the next succeeding future fiscal year(s).
- D. **Non-Operating Allocations.** As approved by the Board, the Cooperative may use, retain, or equitably allocate the Cooperative's Non-Operating earnings.
- E. **Non-Operating Loss Allocations.** The Cooperative shall offset non- operating losses with the Cooperative's non-operating earnings during any fiscal year.
- F. **General Capital Credits Retirements.** The Cooperative will generally retire capital credits with the goals of:

1. maintaining an adequate equity level as determined by the Board;
 2. retiring some capital credits each year, provided the financial condition will not be impaired thereby with the goal of working toward and maintaining an equity level of 40%;
 3. retiring capital credits on a first-in, first-out full payment method of rotation;
 4. retiring capital credits on a regular rotation;
 5. communicating and promoting the cooperative principles;
 6. fostering loyalty and support among patrons and former patrons; and
 7. maximizing public relations and political goodwill. Notwithstanding the foregoing, affiliated G&T cooperative capital credit allocations will not be retired and paid in whole or in part until retired and paid by the G&T cooperative.
- G. Special Capital Credits Retirements.
1. The Cooperative may specially retire capital credits allocated to a patron or former patron:
 - a. upon the death of an individual patron or former individual patron, subject to board approval; or
 - b. upon a former patron failing to pay an amount owed to the Cooperative when the Board, in its sole judgment, determines the indebtedness owed to the Cooperative by a patron is uncollectible.
 2. The Cooperative may not specially retire capital credits allocated to a patron or former patron:
 - a. during or after the dissolution, liquidation, or cessation of existence of an entity patron or former entity patron. No capital credits held in the name of a trust may be approved for the payment to a trustee, unless the trust was revocable by the member-grantor at death, or the trust was includable in the member-grantor's estate for federal estate tax purposes.;
 - b. during or after the reorganization, merger, or consolidation of an entity patron or former entity patron;
 - c. upon a patron or former patron reaching a certain age; or
 - d. upon a patron becoming a former patron. No payment shall be made to any person until the time to admit a will to probate and the time to file creditor's claims has expired.
 3. Payment shall be made directly to those entitled thereto under a decree of descent or under an affidavit of heirship, an example of which is attached.
 4. Requests for payment of capital credits to estates of deceased patrons will be paid twice yearly, in June and December, upon approval by the Board of Trustees.
- H. Recoupment, Offset, Setoff. After retiring, and before paying, capital credits allocated to a patron or former patron, the Cooperative shall recoup, offset, or setoff any amount owed to the Cooperative by the patron or former patron, including any interest or late payment fees, by reducing the amount of retired capital credits paid to the patron or former patron by the amount owed to the Cooperative, regardless of a statute of limitation or other time limitation.

IV. LIMITATIONS

Forfeiture of Capital Credits. The Cooperative shall not require or enter into contracts through which a patron or former patron forfeits the right to the allocation or retirement of capital credits as a condition of receiving or having received electric service.

V. Responsibility

The General Manager shall ensure that this policy is implemented.

ATTESTED Paul Seib, Jr.
Secretary

Seal

Previous Revisions: August 13, 2018, January 8, 2018, July 28, 1997, February 24, 1997, May 24, 1993, August 1966, July 1966, and January 1962.

AFFIDAVIT OF DEATH AND HEIRSHIP

STATE OF KANSAS, COUNTY OF _____, SS:

I, _____, of lawful age, being first duly sworn, upon my oath depose and say:

1. During the lifetime of _____, I was related to him/her as a _____, and I am one of the heirs-at-law the following named persons, to-wit:

2. That said decedent died in the city of _____, on the _____ day of _____, _____, leaving as his/her sole and only heirs-at-law the following named persons, to-wit:

If percent of distribution are not specified, capital credits will be paid equally to each heir listed.

A. Spouse: Name _____
Address _____
Percent of distribution _____

B. Living Children: Name _____
Address _____
Percent of distribution _____
Name _____
Address _____
Percent of distribution _____

If additional space is needed, attach a separate sheet listing name, address & percent of distribution

C. Others: Name _____
Address _____
Percent of distribution _____

3. The decedent had no spouse or children or adopted children, or issue of deceased children, natural or adopted, or other heirs, who survived him, other than the above-named persons.

4. That more than six (6) months has expired after the decedent's death, and no administration of the estate has been commenced and that none is anticipated.

5. That decedent did not have a Will.

6. That all debts of decedent have been paid in full; that no taxes are due the United States or the State of Kansas by reason of the death of the decedent.

7. That during his lifetime, the decedent was a member of Lane-Scott Electric Cooperative, Inc., and this affidavit is submitted in support of application for payment of capital credits and refunds which might be due the deceased member by reason of his membership in said Cooperative.

DATE: _____

Affiant (Name)

Mailing Address

City, State & Zip

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20_____.

Notary Seal

Notary Public

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 8, 2018

Policy No.: 114

Supersedes Date: June 4, 2018

SUBJECT: Rescinded

POLICY:

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: May 24, 1993

Policy No.: 115

Supersedes Date: No date on previous adoption

SUBJECT: Line Move for Road Improvement, etc.

POLICY:

It shall be the policy of the Cooperative that moving of power lines for road projects shall be charged at the full cost of the move when the line is located on private right-of-way. The cost to be charged shall be determined by the General Manager and staff, considering factors such as depreciated value of the line, losses due to the move and the possibility of additional footage of line. The individual or organization requiring the line to be moved shall give or assist in obtaining easements for the necessary right-of-way.

ATTESTED _____
Secretary

REVIEWED: May 7, 2018

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: June 4, 2018

Policy No.: 116

Supersedes Date: May 24, 1993
March 1973

SUBJECT: Resale of Junk Poles and Line Materials

POLICY:

It shall be the policy of the Cooperative that all junk poles removed from service on the Cooperatives lines, if of any value, be sold to our members. The price is to be determined by the General Manager and Manager of Electric Operations.

If the junk poles are of no value they should be offered to the member from whose property they were removed. If the member does not wish to keep the junk poles, they shall be either offered to other members or returned to junk storage and disposed of. At no point shall poles be left in the road ditch for the members to pick up.

The resale of scrap copper or other junk materials shall be sold to scrap dealers at fair market value.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: June 4, 2018

Policy No.: 117

Supersedes Date: May 24, 1993
June 25, 1979

SUBJECT: Energy Management

OBJECTIVE:

To establish a policy concerning use of energy by the Cooperative and its members; particularly in regard to effectiveness, efficiency, and conservation of energy. This objective is consistent with the utility responsibilities of a full-service cooperative and its prime concern for member's needs.

POLICY:

It shall be the policy of the Cooperative to:

1. Constantly examine its own use of energy. This includes, but is not limited to, plant engineering design and construction, lighting and climate control and use of vehicles.
2. Develop and carry out a system-wide information program so that the need for energy management is provided to members along with understanding of what each member can do to meet energy use needs more effectively.
3. Develop and carry out an information and education program with major groups involved in housing, including the building industry and local government organizations, to assure understanding and coordination in methods of energy management.
4. Regularly review new and evolving technologies that may assist the cooperative and members in meeting efficiency efforts.
5. Develop training as appropriate for all employees.

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Page 2

It shall be the responsibility of the General Manager or designer to develop work plans and budget recommendations to carry out this policy and to develop appropriate control reports to assess results.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: June 28, 1993

Policy No.: 118

Supersedes Date: January 20, 1986

SUBJECT: Access to Cooperative Records

POLICY:

MEMBER ACCESS TO RECORDS

Any member, in person or through a duly designated attorney or agent, shall have the right to inspect, for any purpose:

1. Published and publicly available information, including rate schedules, corporate articles and bylaws, service rules and regulations, and annual and monthly operating reports filed with governmental and regulatory agencies.
2. The following items are considered privileged information and will be made available only at the discretion of the Board of Trustees (no part may be removed or copied in a manner without the express permission of the Board of Trustees):

A. Member information:

- 1) Membership lists
- 2) Addresses and telephone numbers
- 3) Member location
- 4) Other individual member data held by the Cooperative. When the following individual membership data is made available by the Board of Trustees it will be released only to the individual member affected, or to other persons who the member authorizes the Cooperative to release the information:
 - a) Credit information including payment records and history
 - b) Other individual account data including energy use

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Page 2

B. Trustee information:

- 1) Requests for information considered as personal: such as credit information, family information, etc., will only be given out after receiving authorization from the individual trustee.
3. The following items are considered privileged information and will be made available only at the discretion of the Board (no part may be removed or copied in any manner without the express permission of management), and upon receipt of authorization to release the information by the affected employee:
 - a) Salary, insurance and benefit information
 - b) Personnel files, including credit information and references
 - c) Unpublished phone numbers
4. Any member, Trustee or employee may review, copy or release any of his or her own personal information, records and credit information without obtaining prior board approval, if said affected person appears in person or provides a notarized written release.
5. All other information not referenced above, including the Cooperative's books and records, audit reports, policies, Board and meeting minutes, etc. will be made available for a proper purpose as determined at the sole discretion of the Board of Trustees.

The member's request to examine resources (except for published and publicly available information included under paragraph 1 above) must be in writing at least twenty (20) days in advance of the next regular board meeting, under oath and stating a proper purpose for the request. Where an attorney or their agent seeks the right of inspection, the request must be accompanied by a power of attorney or proper authorization for the attorney or agent to act on behalf of the member.

The term "proper purpose" shall be defined as a purpose reasonably related to such person's interest as a member and shall not be to undermine the Cooperative nor assist a competitor. The determination of the proper purpose of the member's request will be at the sole discretion and approval of the Cooperative Board of Trustees as indicated in this policy.

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Examination of the Cooperative's records shall be during regular working hours in the office of the Cooperative and under the supervision of a staff person assigned by the Cooperative management. A fee will be charged for reproduction expense of 30 cents per page.

PUBLIC ACCESS TO RECORDS

Except for reports that are filed with federal, state and local agencies and thus become public records, the general public shall have no access to any of the Cooperative's books and records, unless the Board, acting within its discretion, shall approve access.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 119

SUBJECT:

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**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 8, 2022

Policy No.: 120

Supersedes Date: May 22, 1995

SUBJECT: Rescinded

OBJECTIVE:

POLICY:

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 121

SUBJECT:

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LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: January 8, 2018

Policy No.: 122

Supersedes Date: June 28, 1993

SUBJECT: Informed Membership

OBJECTIVE:

To keep the membership of Lane-Scott Electric Cooperative informed of their rights and responsibilities as owners of the cooperative, the financial status and operating condition of the system and services available from the cooperative.

POLICY:

To achieve these objectives management is instructed to:

- 1) Provide each consumer with the monthly Kansas Country Living Magazine.
- 2) Maintain a monthly newsletter to all members.
- 3) Cooperate with and assist Sunflower Electric Power Corporation and Kansas Electric Cooperatives, Inc. (KEC) in providing informational material and services which will assist our membership in remaining informed and aware.
- 4) Provide for adequate programs and qualified personnel to carry out these activities as a regular part of the cooperative's operations.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 123

SUBJECT:

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**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 124

SUBJECT:

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**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 8, 2022

Policy No.: 125

SUBJECT: Resale Department Charges

Policy: To establish the charges for work done by the Cooperative's Resale Department.

- A. All charges will be inclusive, applied equitably, and produce a realistic margin reflecting current market prices. Prices shall be reviewed at least annually and adjusted accordingly.
- B. Work shall be prioritized to Lane-Scott Electric Cooperative members, then Dighton residents, then others.
- C. Past Due balances shall be applied to Lane-Scott Electric accounts at or after 90 days.
- D. Responsibility: The General Manager is responsible for the administration of this policy.

ATTESTED 
Secretary

(seal)

Revisions: September 11, 2017
May 2, 2016
September 5, 2009
January 31, 2002

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 13, 2018

Policy No.: 201

Supersedes Date: August 23, 2004
June 28, 1993

No Date on Previous Adoption by the Board

SUBJECT: Membership in Other Organizations

POLICY:

The Cooperative shall not become a member or purchase stock in any other organization without a majority vote of the members at a meeting called as provided in the bylaws of the cooperative and the notice of said meeting shall specify that action is to be taken upon such proposed membership or stock purchase as an item of business.

However, the Board of Trustees shall have full power and authority to authorize the Cooperative to purchase stock in or to become a member of any corporation or cooperative organized on a nonprofit basis for the purpose of engaging in or furthering the cause of rural electrification, or with the approval of the administrator of RUS, of any other corporation for the purpose of acquiring electric facilities.

REFERENCE: Bylaws, Article XI, Section 1

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 4, 2017

Policy No.: 202

Supersedes Date: November 2, 2009
June 28, 1993
August 1968
August 1959

SUBJECT: Board Meetings

POLICY:

Regular meetings of the board shall be held on the 1st Monday of each month. In the case of conflict with this date, the meeting shall be rescheduled to a date mutually agreed upon by a majority of the board.

Meetings of the Board of Trustees whether regular or special meetings may be held via electronic means with either all or some Trustees attending via electronic means.

REFERENCE: Bylaws, Article V, Sections 1, 2, 3 & 4

ATTESTED _____
Secretary

Date Reviewed: August 13, 2018

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: December 4, 2017

Policy No.: 203

Supersedes Date: September 11, 2017

September 14, 2009

August 23, 2004

March 26, 2001

February 28, 1994

January 18, 1993

December 1990

February 1986, January 1985, January 1982, January 1978

August 1974, June 1973, January 1972, September 1966

September 1965, February 1965, January 1959, February 1957

May 1953, April 1949

SUBJECT: Directors Compensation and Benefits

POLICY:

Directors attending meetings for the Cooperative's benefit shall be compensated at the following rate:

1. Per diem \$350.00 per meeting day and \$300.00 per travel day.
2. Subsistence allowance of up to \$100.00 per day or actual expenses.
3. Travel in personal cars for business purposes at the allowable IRS limit.
4. Hotel bills at actual cost.
5. Banquet and special luncheon tickets at actual cost.
6. Commercial transportation at actual cost.
7. WHEREAS, joint memberships between husbands and wives are authorized by Article I, Section 3 of the Bylaws, and WHEREAS, it is the policy of the Cooperative to educate it's members and encourage them to be ambassadors for the benefit of the Cooperative, spouses of Directors may attend meetings with Directors and any additional expense will be reimbursed by the Cooperative at actual cost.
8. Directors serving on Sunflower Electric Power Corporation's Board or the board of any other affiliated organization shall be entitled to all such Compensation and Benefits as paid by the Corporation except when the

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Page 2

General Manager fulfills the position. The compensation and benefits shall then be turned over to the cooperative.

9. All teleconference calls for Directors shall be paid \$50.00 per call.
10. NRECA Accidental Death and Dismemberment Insurance and Business Travel Accident Insurance shall be carried on all Directors. The cost of this coverage will be paid by the Cooperative.
11. All directors, spouses and dependents may participate in the Cooperative's group health insurance plan at their own expense. When a Director completes his tenure on the board, he/she may continue coverage at their own expense. In the event of the death of an active or past director, his/her spouse may continue coverage at their own expense.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: October 1, 2018

Policy No.: 204

Supersedes Date: June 28, 1993
August 1984
January 1972
August 1962
May 1953

SUBJECT: Meeting Attendance

POLICY:

The manager and all trustees wishing to attend national and regional NRECA and KEC meetings shall be authorized to do so. Trustees are encouraged to attend district meetings, training sessions, institutes and any other meetings to benefit the Cooperative through a better educated, more qualified board member.

The Cooperative Attorney is also authorized and encouraged to attend meetings for the purpose of training, education and exchange of information which will benefit the Cooperative.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: June 28, 1993

Policy No.: 205

Supersedes Date: January 20, 1985

SUBJECT: Access to Cooperative Board Meetings

OBJECTIVE:

To set forth the rights of the members and of the general public with respect to attendance at meetings of the board of Trustees and official meetings of members of Lane-Scott Electric Cooperative, Inc.

POLICY:

Attendance at Meetings of the Board of Trustees

Any member and/or consumer or employee of the Cooperative shall have the right to attend any regular or special meeting of the Board of Trustees provided that said member/consumer or employee:

- 1) Notifies the Cooperative in writing at least five (5) days prior to the meeting of his or her intention to attend.
- 2) States the purpose for attending, and that the stated purpose is reasonably related to such person's interest as a consumer or employee.
- 3) Not more than six members shall be permitted in the meeting room at any one time.
- 4) Any comments by an individual member shall be limited to not more than five minutes.
- 5) Total comments at any one board meeting shall be limited to thirty minutes.
- 6) Members shall be required to leave the meeting, and the meeting will be closed to any person not on the board or required to be present one-half hour after the meeting is called to order.

- - - Policy 205 - - -
Page 2

- 7) All other member comments and participation shall be reserved for the annual meeting or any specially called meeting pursuant to the bylaws.

Persons of the general public, not consumers of the Cooperative, may attend board meetings only upon invitation or permission of the Board of Trustees.

In order to protect the privacy of individuals, the board reserves the right to exclude any member/consumer, employee, or person of the general public from any portion of a meeting dealing with employee wages, sensitive personnel matters or individual consumers' records or accounts.

The board also reserves the right to call or go into executive sessions for consideration, discussion and action upon any matters the board by majority vote decides to treat in a confidential manner.

Cameras and Photographic Equipment

The board reserves the right to prohibit or restrict cameras, photographic lighting and recording devices.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 6, 2020

Policy No: 206

Subject: Trustee Duties, Responsibilities, Standards of Conduct, and Professional Development Policy

I. OBJECTIVE

To describe the duties and responsibilities of the Board of Trustees, as well as the standard of conduct and professional development expected of individual board members.

II. POLICY

The Board of Trustees shall direct the affairs of the Lane-Scott Electric Cooperative, Inc. (LSEC). All the powers of this corporation are held solely by the Board of Trustees, excluding those vested to the Chief Executive Officer /General Manager (CEO/GM) by Board Policy, and such powers that have been conferred upon or reserved for the member-owners by statute or by the cooperative's Articles of Incorporation or Bylaws.

Herein is a listing of these duties and responsibilities. In addition, this policy will establish standards whereby these powers may be exercised in the best interests of the cooperative. Further, it shall be the policy of LSEC to expect its trustees to gain and maintain the knowledge and skills necessary to function actively and effectively as members of the Board of Trustees.

III. EXPECTATIONS

A. Fiduciary Duty: The Board of Trustees has a fiduciary duty to the cooperative and its member- owners. This duty is described as follows:

A trustee of LSEC shall discharge his or her duties as a trustee, including his or her duties as a member of a committee:

1. in good faith,
2. with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and
3. in a manner the trustee reasonably believes to be in the best interests of the corporation.

B. Key Responsibilities and Functions of the board:

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 6, 2020

Policy No: 206

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1. in good faith,
2. with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and
3. in a manner the trustee reasonably believes to be in the best interests of the corporation.

B. Key Responsibilities and Functions of the board:

1. Select, regularly evaluate the performance of, and fix the compensation of the CEO/GM,
2. Review, monitor, and report to the membership regarding the critical operating and financial performance of the cooperative,
3. Ensure effective planning and adequacy of resources,
4. Set the Rates, Rules, and Regulations of the cooperative,
5. Contract for and approve an annual independent financial audit, and
6. Provide program oversight and support, including the adoption of policies and monitoring for compliance with legal and regulatory requirements, as well as the adequacy of internal controls.

C. Access to Cooperative Management and Information and the Duty to Maintain Confidentiality

Trustees are entitled to reasonable access to the cooperative's management, data, or other information. A trustee shall keep confidential all matters involving the cooperative that have not been disclosed to the general public.

1. Requests for access to information or staff shall be made to and through the CEO/GM. In some instances, however, it may be appropriate for trustees to seek information directly from other employees, outside consultants, or experts. Such requests will be made through the Board President.
2. When a trustee has sought access to information not generally available to the public or reported to the board, the CEO/GM shall report on this at the next meeting of the board to ensure that all board members have equal access to the information.

IV. LIMITATIONS

A. Conduct with Respect to Fellow Trustees

Regardless of any personal differences, trustees shall always:

1. Demonstrate mutual respect,
2. Allow opportunity for every other trustee to be heard on any matter being considered by the board,
3. Refrain from revealing to persons other than trustees, the CEO/GM, or the cooperative's attorney any differences of opinion among trustees on matters considered and acted upon by the board. (This standard does not preclude fair and accurate publication of such differences to the cooperative's members in relation to contests, elections, or other matters to be voted upon by the members. Nor does it impinge upon a trustee's right to dissent and to have his or her dissenting vote recorded in the minutes.)

4. Recognize that the Board President has the responsibility and authority to enforce these standards of behavior, through reminders of the standards and expectations and the issuance of a reprimand to the trustee who has breached these standards.
5. Publicly support decisions of the board except in extraordinary circumstances where the trustee can demonstrate that a decision and/or action will bring harm to the cooperative or threaten the cooperative's survival.

B. Board Self-Evaluation

The Board of Trustees shall regularly engage in a self-evaluation of its performance and accomplishments in relation to the goals and mission of LSEC.

C. Board Orientation

Upon appointment or election to the Board of Trustees, a new trustee will receive a thorough orientation on the responsibilities of his/her position, conducted by the Board President, the CEO/GM, and the management staff, as appropriate.

D. Board Training and Development

Training and educational programs in the areas of governance responsibilities, utility operations and management oversight are desirable and necessary for a trustee to function most effectively in his/ her responsibilities.

1. Each trustee is required to become credentialed under the Credentialed Cooperative Trustee program of the National Rural Electric Cooperative Association (NRECA) within two (2) years.
2. In addition to formal board training programs, trustees are urged to attend Kansas Electric Cooperatives (KEC) Annual and NRECA Annual and/or Regional and other activities designed to improve the skills and knowledge of board members. The expenses of enrollment and attendance at board training programs are paid by the cooperative in accordance with board policy.
3. The board training programs shall be conducted within the confines of an annual budget established by the Board of Trustees for this purpose.

V. RESPONSIBILITY

- A. All trustees serving on, and candidates, nominees, or appointees to the board, shall receive a copy of this policy and attest by their signatures to having received the policy.
- B. LSEC's legal counsel shall inform all candidates, nominees, or appointees to the board regarding the terms and conditions of this policy and the personal liability implications resulting from policy violations.
- C. LSEC's legal counsel shall review this policy with the board on an annual basis and discuss any personal liability implications resulting from violations.

- D. Upon the establishment of the fact that a trustee is holding office in violation of any forgoing provisions of this policy, the Board shall immediately remove such trustee from office.
- E. The Board President shall ensure that this policy is followed.

Attested: Paul Feib
Secretary

(SEAL)

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 207

SUBJECT:

This page is left blank intentionally.

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 208

SUBJECT:

This page is left blank intentionally.

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated:
Supersedes Date:

Policy No.: 209

SUBJECT:

This page is left blank intentionally.

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 4, 2017

Policy No.: 301

Supersedes Date: August 23, 2004
July 26, 1993
October 1984
August 1974
March 1968
September 1965

SUBJECT: Attorney Compensation & Benefits

POLICY:

The Cooperative employs the law firm of Gasper Law Office of Stockton, Kansas ("Attorneys"). Unless requested and approved by the board, there is no retainer fee. Fees for legal services are to be charged at the hourly rate approved by the board of the Cooperative. As of the date of this policy, the hourly rate is the Attorney's rate of \$150.00 per hour for regular legal services and, at a rate of 55% of the normal rate for travel time. Mileage will be charged at a rate not greater than the per mile currently allowed by the IRS as the standard mileage rate for personal automobiles used for business purposes.

NRECA 24-hour accidental death and dismemberment insurance and business travel accident insurance shall be carried on the Attorney at the expense of the cooperative.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: February 4, 2013

Policy No.: 401

Supersedes Date: July 26, 1993
February 24, 1992
March 20, 1972
October 1, 1966

SUBJECT: Manager's Use of Company Vehicle

POLICY:

It shall be the policy of Lane-Scott Electric Cooperative to purchase a vehicle for the use of the manager consistent with the duties of the Manager. The primary use of the vehicle shall be business related use. The Manager shall be allowed to utilize the vehicle for personal use within 100 miles of the City of Dighton, Kansas including commuting between the Manager's residence and the Lane-Scott office. Any use of the company vehicle outside of this 100-mile radius must be primarily business related and not solely for personal use.

The Manager shall log all miles driven in the company vehicle and prepare a written report to be included in the monthly board packet for the Board of Trustees meeting.

All mileage relating to the personal use of the Manager, including traveling to and from his residence is a fringe benefit and shall be reported as taxable income consistent with IRS guidelines.

ATTESTED _____
Secretary

Date Reviewed: October 1, 2018

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: September 7, 2010

Policy No.: 402

Supersedes Date: July 26, 1993
October 1979
August 1974
January 1967

SUBJECT: NRECA business travel accident insurance for the Manager.

POLICY:

The manager shall be covered by NRECA's business travel accident insurance.

ATTESTED _____
Secretary

Date Reviewed: February 4, 2019

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: July 26, 1993

Policy No.: 403

Supersedes Date: February 1968

SUBJECT: Employee involvement in civic clubs.

OBJECTIVE:

To encourage management & staff participation in civic clubs which benefit the community and the cooperative.

POLICY:

The cooperative shall pay the expenses of the Manager and staff to belong to civic clubs and organizations which benefit the community and, in turn, the membership of Lane-Scott Electric Cooperative. These expenses shall be limited to one organization per staff member and determination of whether an organization or club falls under this policy shall be at the discretion of the General Manager.

ATTESTED _____
Secretary

Date Reviewed: February 4, 2019

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: September 9, 2019

Policy No.: 404

Supersedes Date: September 7, 2010
July 26, 1993
April 1973

SUBJECT: Contributions, Floral Tributes and Gifts

POLICY:

The Cooperative may make donations to recognized charitable institutions and community and civic organizations not to exceed \$100.00 without board approval.

This policy shall include memorials not to exceed \$50.00 and floral tributes or gifts to employees, board members and their immediate families \$100.00. For purposes of this policy, immediate family is defined as spouse, son, daughter, son-in-law, daughter-in-law, and mother, father, brother, sister, mother-in-law, and father-in-law. This policy will also include former board members and their wives and other closely associated with the organization.

ATTESTED


Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: March 26, 2001

Policy No.: 405

Supersedes Date: New Policy

SUBJECT: General Manager serving as board member or delegate on other affiliated organizations.

POLICY:

The General Manager may serve as a delegate or board member on other affiliated organizations, such as Sunflower, NRECA, CFC and Federated. However, all compensation and benefits associated with those services must be turned over to the Cooperative. Any out-of-pocket and travel expenses the General Manager pays for may be reimbursed by either the cooperative or the affiliated organization.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: December 4, 2017

Policy No.: 406

Supersedes Date: March 26, 2001

SUBJECT: Residence of the General Manager

POLICY:

One requirement the Cooperative has is in regard to the residence of the General Manager. The Board of Directors recognizes that it is important that the General Manager be available when emergencies arise such as ice-storms or other related problems and time is of the essence. Therefore, they have determined that the General Manager must live within Lane County, Kansas.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 7, 2010

Policy No.: 501

Supersedes Date: April 26, 1993
November 1988
January 1978

SUBJECT: Employee Compensation

OBJECTIVE:

To establish wages and salaries that will attract and retain qualified personnel and encourage their superior performance, growth and development.

POLICY:

Employees are to be compensated for their performance in such manner as may be passed by the Board. Annual salary review will take place in September with any salary adjustments to become effective October 1. It is the Board's intent that employees be compensated at or above levels paid in the area for similar work in so far as is possible and practical.

In order to provide the maximum opportunity to achieve success, performance evaluations will be performed with each employee in September. A review will be done in April with each employee to track the progress on the goals listed and discussed in the performance appraisal. Employees will be evaluated by their department heads and department heads will be evaluated by the General Manager.

Employees will be paid bi-monthly as near to the 1st and 16th of the month as possible.

Employees traveling for the cooperative's business and benefit shall be reimbursed for actual expenses up to a reasonable level. Travel in personal cars shall be paid at the rate per mile currently allowable by the IRS as the standard mileage rate for personal automobiles used for business purposes.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: January 01, 2021

Policy No: 502

SUBJECT: Hours of Work and Compensation

I. OBJECTIVE:

- A. To define the work week and set forth working hours for the Lane-Scott Electric Cooperative, Inc.
- B. To set forth the condition for which extra compensation is paid for hours worked.

II. POLICY:

The work week is defined as that period commencing at 12:01 A.M. on each Monday and ending at 12:00 midnight each Sunday.

- A. The scheduled working hours for all outside employees shall be 8:00 A.M. to 4:30 P.M., Monday through Friday, excluding a thirty (30) minute lunch break.
- B. Scheduled working hours for all inside employees as outlined above shall be from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding a one-hour lunch break.
- C. Hours reported will be actual hours worked or on stand-by as defined by this policy.
- D. On-Call / Standby working periods are as defined in Board Policy 503.

III. Overtime Compensation Rate:

Employees who are included under the overtime rate provisions of the Fair Labor Standards Act, as amended shall be compensated at their regular hourly rate for the first forty (40) hours worked during any consecutive seven (7) days commencing on 12:01 A.M. of the first day and ending at 12:00 midnight of the seventh (7) day.

- A. Work performed more than forty (40) hours per week shall be overtime and shall be paid at the rate of one and one-half (1 ½) times the employee's regular rate of pay.
- B. Work performed more than eight (8) hours per day shall receive overtime and shall be paid at the rate of one and one-half (1 ½) times the employee's regular rate of pay, provided they meet the weekly minimum of forty (40) hours of regular time.
- C. Two (2) times regular hourly rate shall be paid for actual work performed on Sunday and cooperative holidays.

IV. On-Call / Standby Compensation Hours:

Employees On-Call / Standby that are not called into service shall be compensated at a rate of:

- A. One (1) hour at their regular rate of pay for weekdays (Monday-Friday), and
- B. Two (2) hours at their regular rate of pay for weekends and cooperative holidays (except the Floating Holiday).

V. Call-out Compensation Hours

- A. If an employee is called-out or called-in for special duty other than regular scheduled work hours shall be compensated at the higher rate of:
 - 1. Total three (3) hour block minimums for all calls originating three or more hours apart. These blocks shall be charged out at a minimum of three (3) hours each or,
 - 2. Actual time worked.
- B. Other compensations may be considered at the discretion of the General Manager in cases of extreme weather conditions or other emergencies.

VI. Responsibility:

The General Manager shall ensure that this policy is implemented. All Supervisors are expected to serve as role models for proper compliance with the provisions of this Policy and to review timesheets for accuracy. It is ultimately the responsibility of all employees to comply with this policy. Violations of this policy including the fraudulent entry of time worked will be subject to discipline up to and including termination.

ATTESTED: Paul Seib, Jr. date 12/7/2020
Secretary

Seal

Revisions: This Policy is a revision and consolidation of Board Policies 502.1 Hours of Work – Operations Dept Line Personnel and 502.2 Hours of Work – Office Personnel, Member Services Department (including outside Electricians) and part-time Help.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: September 9, 2013

Policy No.: 503

Supersedes Date: March 24, 2006

April 26, 1993

August 27, 1973

SUBJECT: Standby Duty

OBJECTIVE:

To define the procedures to be followed for standby duty for line personnel subject to after hours call out for work.

POLICY:

Standby duty shall be divided as equally as possible among all line personnel. Standby periods shall consist of all hours outside the normal working day from 8:00 A.M. Monday to 8:00 A.M. the following Monday.

All line personnel will be provided a schedule showing the periods that the employee is responsible for. A journeyman lineman and an apprentice may be on call together but at no time will two apprentice linemen be allowed to be on call.

Persons on call may leave their homes or otherwise make effective use of their time for personal purposes provided they are available by radio contact or contact the dispatcher as to where they can be reached. All employees on call will be expected to respond to calls as soon as possible and in a reasonable length of time (not to exceed 15 minutes).

If, for any serious reason, an employee knows that he cannot be contacted or will be unable to perform his duties in case of call out, he shall immediately notify the dispatch service and Manager of Electric Operations so that a replacement can be put on duty. Line personnel are not to make service calls alone due to safety reasons, except in their judgment after viewing the situation they feel comfortable performing the operation. If performing an operation alone the lineman must contact the dispatch before and after the operation is complete.

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A service crew going out on a call shall notify the dispatch service if they are not already aware of the call.

Any standby duty may be exchanged among employees when mutually agreeable and approved by the Manager of Electric Operations.

The ranking employee on a crew called out shall be in charge unless otherwise designated by the Manager of Electric Operations.

When a major emergency situation develops, all qualified employees, at the direction of management, will be required to report for duty on a compensated basis according to the appropriate wage and salary schedule. This in no way conflicts with applicable labor laws and assumes physical eligibility of the employees concerned. However, reasons other than personal illness or physical disability in such situations will not be accepted for failure to report as directed.

ATTESTED


Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: April 26, 1993

Policy No.: 504

Supersedes Date: No date on previous adoption by the Board.

SUBJECT: Job Connected Illness and Injury

POLICY:

- A. Any employee who suffers from illness or injury attributable to causes arising from his employment shall be paid his regular salary during such absences for a period not to exceed the following limits:

<u>Months of Employment</u>	<u>Benefit Weeks</u>
Less than 6	2
6, but less than 12	8
12, but less than 24	12
24, but less than 36	16
36, but less than 48	20
48, but less than 60	24
60, but less than 72	28
72, but less than 84	32
84, but less than 96	36
96, but less than 108	40
108, but less than 120	44
120, but less than 132	48
132 or more	52 (maximum)

- B. This benefit shall apply to each injury. Payment under this provision shall terminate at such time as the employee is able to return to work as determined by a physician or has accepted employment elsewhere. The employee must agree to accept other duties offered by the cooperative with the approval of his physician.
- C. Payments received from cooperative sponsored disability insurance or workman's compensation in lieu of wages will be deducted from the amount payable under this provision.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 7, 2010

Policy No.: 505

Supersedes Date: February 27, 2006
September 27, 2004
April 26, 1993
September 24, 1990
September 27, 1976

SUBJECT: Sick Leave and Disability Leave

OBJECTIVE:

To set forth the policy of the Board of Trustees on the terms and working conditions of employment sick leave.

POLICY:

Sick Leave

- A. The term "sick leave" shall be defined to mean any time during which an employee may, due to illness, injury, family emergency or other physical incapacitation not incurred in the line of duty, be excused from work without suffering the loss of normal earnings. All permanent full-time employees are eligible for sick leave benefits. Sick leave shall accrue at the rate of eight (8) hours for each full month of employment.
- B. Unused sick leave may be allowed to accumulate to a maximum of 720 hours. Disability insurance has been purchased for all full-time employees that will provide (subject to terms of the policy) income protection to a disabled employee for the period of thirteen (13) weeks after disability until age sixty-five (65).
- C. All absences from duty approved as sick leave shall be so charged and deducted from that amount of sick leave standing to the employee's credit. Any sick leave accruing to an employee and not used shall be cumulative without regard to time with the following provision: That if at the end of the calendar year, an employee has an excess of ninety (90) days or 720 hours standing to his credit, that portion in excess of ninety (90) days or 720 hours, shall be liquidated by cash payment equal to fifty per cent (50%) of its straight time value to the employees concerned. The remaining ninety (90) days shall then be carried over to the credit of the employee to the subsequent year.

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- D. Sick leave claimed must be entered on the employee's time sheet and must state the nature of the illness or other circumstances. A doctor's certificate may be required to substantiate an employee's claim of sick leave.
- E. Payment of sick leave shall be calculated at the employee's regular rate of pay and any amount received for loss of income from any company sponsored insurance shall be deducted except from employee group medical insurance.
- F. Sick leave for extended illness or absence must be approved by the general manager. A doctor's certificate will be required to substantiate an employee's claim of sick leave. A doctor's release will be required before an employee can return to full active duty. It is the employee's responsibility to ensure Lane-Scott receives the doctor's certificates. If doctor's certificates are not provided within two weeks of the onset of the extended absence the employee may be subject to discipline up to and including termination. Further, it is required that the employee remain in contact with their supervisor or the general manager during their absence, either by telephone or in person. If contact is not made on at least a bi-weekly basis the employee may be subject to termination. If an employee is able to return to work in a reduced capacity, they will be placed in a position for which they have the ability to perform, provided such a position is available.
- G. Sick Leave shall be granted for serious illness in the immediate family as needed. However, absences beyond three (3) days must be approved by the General Manager. "Immediate family" shall be defined as spouse, mother, father, child, brother, sister, grandparents, grandchildren, mother-in-law, father-in-law, brother-in-law, sister-in-law, aunt and uncle.
- H. Sick leave benefits will cease immediately upon termination of employment.
- I. No benefits shall be paid for off duty accidents which occurred while the employee was working for hire for anyone other than the Cooperative.

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Page 3

- J. Lane-Scott Electric Cooperative, Inc. will buy back sick leave for employees who have been with the company 15 years or more. This will be a 25% of their total hours at their base pay rate, this is for retirement from Lane-Scott Electric Cooperative, Inc. only.

Disability Leave

- A. When an employee becomes injured and/or ill and is medically unable to perform the duties required of his/her job for a period of thirteen (13) weeks, he/she shall be considered disabled and at that time placed on disability leave.
- B. An employee will not be paid, contributions to the employee's 401(k) plan shall cease and no vacation or sick leave benefits shall accrue during disability leave. Lane-Scott has made available a long term disability insurance plan for the benefit of all employees.
- C. It is understood that disability leave shall not be used for the purpose of accepting gainful employment elsewhere. If an employee accepts such employment elsewhere during a disability leave, it shall be presumed that he/she resigned without notice.
- D. Upon signifying intent to return within a reasonable time, the employee will be placed in a position for which he/she has the ability to perform the work, provided such a position is available. The employee may be placed in his/her former position, if the employer's or employee's circumstances have not so changed that it would be impossible or unreasonable to do so.
- E. During disability leave, the Cooperative will continue the employee's medical, dental, accident, retirement security plan and life insurance coverage and will pay the premiums in the same manner as prior to the disability, for a length of time at the discretion of the General Manager.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: May 24, 1999

Policy No.: 506

Supersedes Date: April 26, 1993
September 24, 1990
October 1984
December 20, 1965

SUBJECT: Vacations

OBJECTIVE:

To allow the means for career employees to have time from their jobs for vacation purposes.

POLICY:

- A. Vacation leave will be earned by permanent, full-time employees at the rate of one week (40 hours) of paid vacation during the first year of employment and at the rate of two weeks (80 hours) each year of continuous service thereafter. Annual vacation leave will be allocated proportionally each month throughout the year. While on vacation, compensation will continue to pay at the employee's regular rate of pay.
- B. Employees will also be granted bonus vacation in accordance with the following schedule:
- | | | |
|------------|-----------------------------|--------------------|
| After five | years of continuous service | - One bonus day. |
| " Six | " " | - Two bonus days |
| " Seven | " " | - Three bonus days |
| " Eight | " " | - Four bonus days |
| " Nine | " " | - One full week |
| " Twenty | " " | - Two full weeks |
- (Maximum annual accrual of four full weeks of vacation time)
- C. Recognizing today's competition for qualified personnel and the benefit to the cooperative to recruit and retain highly qualified employees, additional vacation time may be granted to new employee's for prior rural electric or other relevant work experience. Granting of additional vacation time will be at the discretion of the General Manager and will be retroactive for all current full-time, permanent employees.

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Page 2

- D. Vacations may be taken at any time at the employee's convenience provided ample notice is given to the employer, and provided further, no interference with the cooperative's operation will result. It shall be at the General Manager's discretion to determine whether interference with the cooperative's operation would result from an employee taking a vacation at any specified time. Where requested vacation periods conflict, preference shall be given to the employee with the greatest length of service to the cooperative.
- E. The cooperative strongly suggests that vacations be taken by employees, since that is felt to be most beneficial to all. However, in case of emergency and for the best interest of the cooperative, an employee can be requested by the General Manager to remain on the job instead of taking vacation. In such case the employee will receive vacation pay at the regular rate in addition to normal pay. The General Manager will authorize such situations by written directive.
- F. Vacation time will normally be taken on consecutive days; however, the cooperative may request otherwise, if such taking of vacation on consecutive days presents a hardship to the cooperative's operations.
- G. Employees may not carry over into any new calendar year more vacation time than would normally accrue in two years. Any excess vacation accrued above this amount and not taken during the year will be forfeited at the end of the year.
- H. In the event an employee quits or is discharged, the payment of vacation time will be on the basis of earned vacation not used up to a maximum of the vacation time that would accrue in two years. In no event will vacation pay be allowed when an employee quits without giving at least two weeks' notice.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 7, 2010

Policy No.: 507

Supersedes Date: March 17, 2007

September 27, 2004

April 29, 1996

December 28, 1992

October 22, 1984

No Date on Previous Adoption by the Board

SUBJECT: Holidays, Jury Duty, Funeral, Military, Family or Maternity and Other Leave

OBJECTIVE:

To set forth the policy of the Board of Trustees for paid holidays and time given and wages paid for leave from work for jury duty, funeral leave, military leave family or maternity leave and other leave to the employees of the Cooperative.

POLICY:

Holidays

1. The Cooperative shall recognize nine paid holidays for the following designated days each year:
 - 1) January 1 (New Year's Day)
 - 2) Good Friday
 - 3) Memorial Day
 - 4) July 4th (Independence Day)
 - 5) Labor Day
 - 6) Thanksgiving Day
 - 7) Day after Thanksgiving
 - 8) December 25 (Christmas Day)
 - 9) Floating Holiday
2. Should any of the designated holidays fall on a Saturday, the Friday immediately preceding the Holiday normally shall be given. Should any of the designated holidays fall on a Sunday, the Monday immediately following the holiday normally shall be given.
3. Holiday leave cannot be accrued or accumulated. Holidays must be taken when given unless management requests the employee to work for which comparable time off with pay may be given or additional compensation may be given at the discretion of the General Manager.

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Jury Duty

Employees serving as jury panelists shall be compensated so that they do not lose any salary benefits. They shall be required to submit to the Cooperative any financial compensation received from the court and the employee shall receive their normal salaries from the Cooperative.

Funeral Leave

1. Funeral leave may be granted employees by their supervisors for the death of a member of the immediate family. "Immediate family" shall be defined as spouse, mother, father, child, brother, sister, grandparents, grandchildren, mother-in-law, father-in-law, brother-in-law, sister-in-law, aunt and uncle.
2. Maximum amount of funeral leave granted shall be three (3) days. For these absences, employees shall be compensated so that they do not lose any salary benefits and shall receive their normal salary from the cooperative. Absences beyond three (3) days must be approved by the General Manger and sick leave shall be used.
3. Limited time will be allowed to attend funerals of close friends or relatives other than immediate family. For these absences, sick leave will be paid to the employee, provided sufficient time has been accrued by the employee. Because of the affect the absence of any one employee has on the remainder of the work force, such absences must be kept to a minimum. All absences of this kind must be approved by the employee's supervisor prior to the absence.
4. Final decision as to the amount of time given shall be at the discretion of the General Manager.

Military Leave

An employee in other than a temporary position, leaving to enter the armed forces will be granted a leave of absence, and will be afforded re-employment rights pursuant to the Vietnam Era Veterans Re-Adjustment Assistance Act of 1974 (Re-employment Rights Act), as amended, administered by the Office of Veterans Re-employment Rights, Labor Management Services Administration, U.S. Department of Labor.

Family or Maternity Leave

Family or Maternity leave shall be granted for up to six (6) weeks without pay for a Cooperative employee who has given birth or for whose spouse gives

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birth. Similar leave shall be available, at the discretion of the General Manager, for situations of adoption or family crisis. Vacation and sick leave will be paid to the employee up to the entitlement accrued by the employee. Sick leave and vacation leave will accrue during maternity or family leave, and the Cooperative will continue the employee's medical, dental, accident, retirement and life insurance plans as they existed prior to the family or maternity leave.

Other Leave

Leave of absence may be granted upon request to and approval by the General Manager on an individual basis. An employee will not receive wages or salary during a leave of absence. The Cooperative may continue the employee's medical, dental, accident, retirement and life insurance coverage at the General Manager's discretion during the leave. Sick leave and vacation leave shall not be forfeited, but shall not accrue during a leave of absence. Sick and/or annual leave will be paid to the employee up to the entitlement accrued by the employee. Leave of absence for more than thirty (30) continuous days relieves the Cooperative of the obligation for the person's returning to the same job and/or pay, except as provided by Section II, D of this policy.

Medical Examination

At the expiration of any leave of absence, disability leave, military leave, maternity or family leave, sick leave or other leave, the Cooperative may require a medical examination of the employee by a Cooperative approved physician, prior to his/her returning to work. In the event, under any circumstances, a dispute arises concerning an employee's physical or medical ability to perform his/her job, the Cooperative may require an examination of the employee by a Cooperative approved physician. Employees abusing sick leave or disability leave will be subject to suspension or dismissal.

Responsibility

The General Manager shall be responsible for the administration of this policy. He/she shall issue such procedural regulation as may be required to effectively administer this policy. He/she shall be responsible for formulation of any recommended changes in policy content which require action by the Board of Trustees.

Attested _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022

Policy No.: 508

Supersedes: January 9, 2017
November 22, 2004
July 23, 2001
June 26, 1995
July 26, 1993
January 17, 1992
September 26, 1977

SUBJECT: Job Training, Safety & Loss Control

OBJECTIVE:

The purpose of this policy is to provide for the protection of human life and the conservation of property belonging to the cooperative and others from accidental damage or destruction. Additionally, to provide for the promotion and availability of safety and professional development and training.

POLICY:

I. GENERAL MANAGER'S RESPONSIBILITIES

- A. The General Manager is hereby authorized and directed to have at least monthly, a meeting of all available employees in which safe working practices, conditions, and the use and care of safety equipment are discussed.
- B. The General Manager is also authorized to encourage and motivate all Supervisory employees to devote the maximum time available to training so that all employees might achieve maximum competence in their work.
- C. The General Manager is also authorized to acquire any safety tools and/or equipment necessary to protect the health, safety, and wellbeing of employees, members, and the public.
- D. The General Manager is hereby authorized to reasonably adopt and implement safety rules including but not limited to those outlined in the Kansas Electric Cooperatives Safety Manual.
- E. The General Manager is also authorized to promulgate any operational policies and procedures necessary for complete compliance with this policy.
- F. The General Manager is authorized and directed to implement employee job training, professional development, and the Apprenticeship Programs and to assure that every qualified employee can attend training appropriate to their job function.
- G. Implement, and actively support, the Job Training, Safety, and Loss Control Policy of the Board of Trustees. and related activities.
- H. Hold all levels of management accountable for safety performance.
- I. Participate in safety meetings as required.
- J. Review all Supervisor Investigation Reports and take appropriate action.
- K. Actively promote electrical safety among the members and the public.
- L. Assure that all applicable local, state, and federal regulations are followed.

II. SAFETY COORDINATOR'S RESPONSIBILITIES AND DUTIES

- A. The Safety Coordinator may be a full-time or additional duty as necessary.
- B. The Safety Coordinator has the responsibility and necessary authority to oversee to Safety Program of the Cooperative and reports directly to the General Manager in their safety coordinator capacity.
- C. Recommend additional safe operating rules and procedures for the Cooperative and regularly evaluate and recommend necessary changes to existing rules and procedures.
- D. Assist in the evaluation of public liability exposures and their control.
- E. Assist the Loss Control & Safety Instructor in conducting scheduled meetings at the Cooperative. Suggest the type of programs which would be most beneficial to all employees of the cooperative.
- F. Coordinate safety and training meetings to supplement the programs presented by the Loss Control & Safety Instructor.
- G. Coordinate technical and other professional development training and programs.
- H. Update and Maintain employee training records and files.
- I. Coordinate post-accident employee drug testing with the cooperative HR Coordinator.
- J. Prepare or have a member of the Cooperative Safety Council prepare a monthly Training and Loss Control & Safety Activity Report for the General Manager to present to the Board of Trustees.
- K. Maintain a working relationship with representatives of the insurance carrier. Cooperate with the insurance carrier's safety consultant in analyzing the Cooperative's exposure to loss and recommending corrective action and controls.
- L. Supply the KEC Loss Control & Safety Advisory Committee with suggestions for strengthening the Loss Control & Safety Program.
- M. Coordinate the effort toward achievement of NRECA Rural Electric Safety Achievement Program (RESAP) and/or similar endorsements.
- N. Assure that accident statistics, including recordable injuries, lost time days, and man-hours worked are maintained and submitted to the appropriate agency.
- O. Administer the Lineman's Apprenticeship Program.

III. SUPERVISOR'S SAFETY RESPONSIBILITIES AND DUTIES

- A. The immediate job of preventing accidents and controlling work health hazards falls upon the Supervisor. Any employee who directs the work of others is a Supervisor.
- B. Provide leadership in safety and assure employees are available for training opportunities.
- C. Enforce the safety rules and safe working practices as adopted by the Cooperative.
- D. Inspect tools, work area, apparatus, and equipment frequently and take prompt action so that faulty or defective equipment is repaired or replaced.
- E. Observe work areas and barricade or restrict those which are hazardous to employees, other workmen, members, or the public.
- F. Be certain that she/he clearly understands the work that is to be done and that their subordinates understand their individual duties.
- G. Operation Supervisors will hold adequate "tailgate conferences" before the start of each job, large or small, to ensure all affected personnel understand clearly how the work is to be done.
- H. Exercise close supervision over work, especially in hazardous situations. All hazards are to be pointed out and proper protective measures taken to enable the work to be performed safely and efficiently. Be alert for hazards which may develop as the work progresses.

- I. Train new or inexperienced employees being sure to pay particular attention to their work and observing it closely. Whenever possible, assign an experienced employee to work with a new employee so that they may learn to work safely as a habit.
- J. Assign the more difficult and hazardous work to the competent, experienced person.
- K. Report all accidents promptly after making certain that the injured employee has received the proper medical attention.
- L. Investigate immediately each incident and forward the proper report form to the General Manager.
- M. Each Supervisor at each level of supervision will make certain that the employees under him/her perform their work in the manner specified. The Supervisor will be held responsible for the safety, development, training, and welfare of the employees under their supervision.

IV. EMPLOYEE'S RESPONSIBILITY

- A. Employees share with the management, Safety Coordinator, and Supervisors the responsibility for their personal safety, the safety of their fellow worker, and the public.
- B. It is the responsibility of each employee to know, understand, and follow the safety rules of the Lane-Scott Electric Cooperative, Inc. Safety Manual which apply to the work they perform.
- C. Each employee will have the opportunity, but not the obligation, to attend professional development training.
- D. Each Employee Shall:
 - 1. Follow all safety rules and other applicable orders or procedures.
 - 2. Report all hazardous conditions and unsafe tools or equipment to his/her Supervisor, or the cooperative Safety Coordinator.
 - 3. Promptly report all accidents and injuries regardless of severity to their Supervisor or the cooperative Safety Coordinator.
 - 4. Use all protective devices provided by the cooperative that apply to and are required for the job at hand.

V. COOPERATIVE SAFETY COUNCIL

- A. There shall be a Cooperative Safety Council consisting of three persons – one lineman designated as the Safety Coordinator (selected by the General Manager) whose duties will be combined with one of the office positions, one office employee designated as the Safety Compliance Administrator (selected by the General Manager) to maintain records, and one outside employee. The outside employee shall be elected by employees of the cooperative.
- B. All employees, except those holding a Staff Position, shall be eligible to vote for the position to be filled by election.
- C. No person holding a Staff Position will be eligible for election to the Cooperative Safety Council.
- D. The term of office of the elected members of the Cooperative Safety Council shall be for three years through the employee safety meeting for the month of January following their election. There may be one new member elected each year. The members shall move through the officer's chairs beginning as secretary, after having served as chairman of the Safety Council for one year, shall retire from the committee, and shall not be eligible for re-election for at least one full year. The position of Safety Compliance Administrator may not change annually, as this position is responsible for record retention and assisting

- with compliance procedures.
- E. If a vacancy occurs during the term of such office, then the vacancy shall be filled by an election by all eligible employees at the next regular monthly employee safety meeting. Such election, to fill a vacancy, shall be to fill the unexpired term of office.
 - F. Each person on the Cooperative Safety Council shall have one vote.
 - G. The Cooperative Safety Council shall have the responsibility to conduct the monthly safety meeting of the employees and to assist the Safety Coordinator with the program to meet the safety education and safety training needs of the employees of the cooperative, to provide a means whereby safety problems and recommended solutions can be brought to the attention of all employees and management, and to provide for adherence by employees to the safety procedure and policies adopted from time to time by the Cooperative.
 - H. The Cooperative Safety Council shall meet as often as necessary, between the regularly monthly employee safety meetings, to adequately perform the duties of such council. They shall meet at the call of the Chairman or of the Safety Coordinator working with the Chairman.

VI. SUPERVISOR'S INCIDENT INVESTIGATION

- A. It is the responsibility of the staff person for whose department the injured person works to investigate and complete the Supervisor's Investigation Report within 24 hours following an incident. An incident is defined as any unexpected event that interrupts or interferes with the orderly progress of the production activity or process. This includes a "near miss", property damage, or an injury.

DISTRIBUTION OF THIS REPORT SHALL BE AS FOLLOWS:

- 1. One copy to the General Manager to be reviewed, signed, and forwarded to the Safety Coordinator.
 - 2. One copy to central file.
- B. Prevention of reoccurrence is the purpose of the investigation and report. It should be concise and should avoid finding fault with individuals. Vague, general descriptions or causes such as "carelessness" should be avoided. The first-line Supervisor is in the best position to understand the real causes of an accident or incident. Eliminating them will benefit him or her by providing safe working conditions for all workers while improving the efficiency of the crew.

VII. DISCIPLINARY ACTION AND ENFORCEMENT ON ALL EMPLOYEES

- A. Safety is everyone's business. Noncompliance with safety rules will be subject to disciplinary action up to and including immediate termination.
- B. The Safety Council will review every potential safety violation and incident investigation within thirty (30) days of occurrence and determine if a safety violation occurred. The Safety Council will present their findings to the General Manager.

VIII. SAFETY EQUIPMENT

- A. The Cooperative will furnish, as needed and appropriate, at its expense, personal safety equipment, which may include but is not limited to: rubber gloves, glove protectors, glove

liners, hard hats and liners, raincoats and trousers, industrial type safety eyeglasses, replacement safety straps, replacement climber gaffs and straps, protective covers for gaffs, and ergonomic workplace materials.

- B. Additional personal or cooperative safety equipment and/or tools that are recommended by the Safety Council for the improvement of the safety and wellbeing of employees may be approved by the General Manager.

IX. JOB TRAINING, PROFESSIONAL DEVELOPMENT, AND APPRENTICESHIP PROGRAM

- A. The Cooperative's greatest asset is the skill and knowledge of its personnel. The future strength and progress of this cooperative is dependent upon the Cooperative's commitment to preserving this asset by developing the skills and knowledge of the work force.
- B. Job Training and Employee Development. Job Training and Employee Development (collectively called "training") will be made available to every employee.
 - 1. Training opportunities must be relevant and appropriate to the employee's job and present a benefit to the cooperative for participation.
 - 2. All Supervisors will receive regular training on necessary Supervisory skills.
 - 3. All training requests will have the approval of the General Manager.
- C. Safety Training.
 - 1. All employees are expected to attend monthly Safety Meetings unless otherwise excused by their Supervisor for just reason.
 - 2. Safety training will be appropriate for the employees' level of expertise and relevant to their job function.
- D. Lineman Apprenticeship Program
 - 1. The apprenticeship program shall be designed to train lineman in a wide and diverse range of skills and knowledge, as well as maturity and independence of judgment. It shall include planned day-by-day training on the job and experience under proper supervision, combined with related technical instruction.
 - 2. The course of study will be a Credited Rural Electric Association's Apprenticeship Program selected by the General Manager and the Board of Trustees of the Cooperative. The apprentice will be supplied with books, written materials, and lesson guides. The program will be done as a home study course. The apprentice will check out a lesson from the Safety Coordinator, answer the questions, and return it to the safety coordinator to be graded. Periodic examination will be given over the work completed, and the progress of the apprentice will be determined by his/her grades on the lessons and examinations, as well as his/her on-the-job development. (S)He will be evaluated by their immediate Supervisor, the ranking Operations Supervisor, the Safety Coordinator, and the General Manager. The results of these tests and evaluations will determine the apprentice's qualifications for advancement in the apprentice classifications and for final acceptance as a journeyman lineman.
 - 3. A seventy (70) percent or above score on lessons and examinations shall be considered a passing grade. If an apprentice should fail a lesson, she/he must wait three (3) months before resubmitting the lesson. If an apprentice should fail an examination, she/he must wait for six (6) months before taking the test again. If the same lesson or examination is failed a second time, then the apprentice must wait for one year and start over with lesson number one of that same year. However, before resuming the apprenticeship program, the apprentice must submit a written request

to be reinstated to the General Manager, then a review by the Safety Coordinator, their immediate Supervisor, the ranking Operations Supervisor, and the General Manager will be conducted. This committee will review the apprentice's general attitude and motivation and will decide if the apprentice shall be reinstated.

4. The Safety Coordinator, with the assistance of the the Apprentices' immediate Supervisor(s), and the ranking Operations Supervisor, shall supervise the training of the apprentices.
5. No employee may qualify for journeyman rating with less than four years of actual apprentice work experience in the field.
6. New employees may be given credit for past experience, provided that they can pass the final test for the year they are being credited for by the General Manager (i.e. An apprentice hired as a third year apprentice must be able to pass the 3rd year apprentice final test, etc.).
7. The cooperative will not recognize the advancement of employees to succeeding classifications until the employee shall have met the training requirements of this program. Time spent in classes of related instruction and off-the- job study time shall not be considered as hours of work and shall not be paid for unless the employee is required to attend classes.
8. An apprentice entering this program must be willing to spend the time required to prepare them to become a journeyman. The final responsibility for successful completion of the program rests with the employee.
9. Failure to complete the apprenticeship program may result in a re-assignment of duties if an alternate position exists. Compensation will be commensurate with the new position. If no position exists for which the employee is qualified to fulfill its essential functions, termination may result.

X. RESPONSIBILITY

It shall be the responsibility of the General Manager / CEO to administer and enforce this policy and to report monthly to the Board of Trustees on the status of its implementation and the overall safety performance of the Cooperative.

ATTESTED Paul Seeth Jr.
Secretary

(seal)

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: July 26, 1993

Policy No.: 509

Supersedes Date: April 25, 1966

SUBJECT: Purchases by Employees

POLICY:

Any purchases made through the company by an employee must have prior approval of the general manager.

The balance of an employee's personal account may at no time exceed his normal earnings for a two week period.

If, at the end of the monthly accounting period, an employee has purchases charged to his account, this amount is subject to being withheld from that employee's wages.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: November 22, 2004

Policy No.: 510

Supersedes Date: July 26, 1993

No Date on Previous Adoption by the Board

SUBJECT: Employee physicals

POLICY:

All new employees shall be required to have a physical examination by a qualified physician and submit the findings to the benefits administrator or privacy officer before being accepted for permanent employment. The cooperative will pay for the cost of this physical examination.

To promote the health and well being of the employees of Lane-Scott, all employees are encouraged to have annual physical checkups. Partial costs of annual physical examinations are covered by the cooperative's group insurance plan. The employee will be responsible for all costs not covered by the insurance plan.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: July 26, 1993

Policy No.: 511

Supersedes Date: No date on previous adoption by the board

SUBJECT: Accidents with Cooperative Vehicles

POLICY:

In case of accidents with any vehicles used on the Cooperative's business, the employee shall wait at the scene of the accident unless it is necessary to leave to obtain emergency medical attention. The following procedures should then be followed:

- 1) Obtain the name and address of injured party or owner of damaged property.
- 2) Obtain the name and addresses of any witnesses.
- 3) Inform injured of owner of damaged property that insurance is carried by the cooperative.
- 4) Report accident to the office as soon as possible, or by radio immediately if medical and law enforcement assistance is urgently needed.
- 5) Make no commitment as to liability.

No employee shall leave the scene of an accident without receiving full information and also making identification known. The proper local law enforcement officer shall be called to the scene of the accident in case of any personal injury or major property damage.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: July 2, 2018

Policy No.: 512

Supersedes Date: November 22, 2004
April 29, 1996
August 23, 1993
September 24, 1990

SUBJECT: Employee Insurance

POLICY:

The Cooperative shall provide health insurance for all permanent, full-time employees, their spouses and dependents. The Cooperative will also provide NRECA \$100,000 Business Travel Accident Insurance Coverage and NRECA Long-Term Disability Coverage on all employees. The Employee shall be responsible for a portion of their health insurance as the Board of Trustees shall determine. The Cooperative will pay 100% of the costs of the Business Travel Accident Coverage and Long-Term Disability Coverage. The Cooperative shall comply with all state and federal law and regulations regarding employer provided health insurance coverage of employees.

Retired employees are eligible to continue health Insurance coverage through the cooperative's group plan at their own personal expense. In the event of the retired employee's death, his or her spouse will be able to continue coverage at their personal expense.

In the event an employee quits or is discharged, their insurance premium shall be prorated as to the actual days employed that month. The balance of the month shall be the responsibility of the employee and will be deducted from their final paycheck.

ATTESTED


Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 14, 2009

Policy No.: 513

Supersedes Date: July 6, 2009

November 22, 2004

December 22, 2003

November 25, 1996

April 29, 1996

March 27, 1995

December 26, 1994

November 22, 1993

October 1969

May 1960

SUBJECT: Employee Apparel

OBJECTIVE:

To foster a professional image of the Cooperative to members and the general public by promoting a professional appearance among all employees while keeping employees' safety and OSHA requirements foremost.

POLICY:

This policy shall apply to all permanent, full-time employees of the Cooperative as follows:

Outside Personnel:

All members of the line crew will be required to wear the following attire while on company time:

The Board of Trustees shall review and authorize funding for the following policy governing the purchase and required use of Arc Flash Rated Protective Clothing.

A. As required by NESC Rule 410A3, the Cooperative shall perform an Arc Hazard Assessment in order to establish the level of protection that is required throughout the Lane-Scott electrical system.

1. This assessment shall be used to ensure that the proper level of protection is provided to the employees, contractors, and vendors who work on or near energized parts or equipment and are potentially exposed to an electric arc.

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2. In areas found to have an unacceptable level of hazard, steps shall be taken to mitigate the hazard through the required use, or combination of, additional personal protective equipment, safe work practices, electrical equipment upgrades or other reasonable means.
- B. The Cooperative shall provide adequate quantities of approved Arc Flash Rated Clothing to all employees that are or may be exposed to electrical arcs while performing their required job duties.
1. The provided Arc Flash Rated Clothing shall have a minimum arc thermal performance value equal to HRC 2 unless a task or site specific Arc Hazard Assessment warrants a higher calorie level of protection, which may be achieved through layering or wearing task-specific Arc Flash Rated Clothing.
 2. A procedure administering the program for the initial purchase and annual Arc Flash Rated Clothing allowance to replace items that are no longer in serviceable condition shall be established by Management.
 - a) The provided Arc Flash Rated Clothing should include, but not be limited to pants, long sleeve shirts, cold weather outerwear, rain gear and reflective traffic vest.
- C. The employee that may be exposed to electrical arcs while performing their regularly scheduled job duties shall be required to wear Arc Flash Rated Clothing, as described in Section B, as the outer most layer of clothing at all times, while on duty.

Employees, vendors, or utility guests, who are not regularly exposed to electrical arcs and do not normally wear Arc Flash Rated Clothing, but enter work areas where Arc Flash Rated Clothing is required, shall be issued or have ready access to and be required to wear on Arc Flash Rated garment equal to a minimum HRC 2, unless a task or site specific Arc Hazard Assessment warrants a higher calorie level of protection.

1. Only natural fibers or non-melting items may be worn as under garments.

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2. The employee shall only wear items that are in good serviceable condition. Items with holes or that are frayed must be repaired properly or be removed from service. The Cooperative shall provide suitable materials for the repair of the Arc Flash Rated Clothing.
- D. If within one (1) year of employment or receiving their annual allowance of Arc Flash Rated Clothing, should the employee terminate employment, then an amount equivalent to the cost of the Arc Flash Rated clothing provided will be withheld from the employee's final paycheck. Employees who terminate after the one (1) year period will not be required to reimburse the Cooperative.

Boots - Boots will be required in any situation where employees may be exposed to falling or rolling objects.

Gloves - Gloves (other than insulated rubber electrical gloves) may be required for certain job tasks. These gloves should have all leather outer cover and may be insulated if desired. Any rubber gloves needed by employees will be furnished by the Cooperative.

The company allocation shall be used at the discretion of the employee providing he/she meets the dress requirement at all times. The yearly allowance will be for the period of January 1 to December 31. No employee will be allowed to work with clothing or other personal protective equipment that does not meet company requirements.

Office Personnel:

There will be no requirement for office personnel to dress in company uniforms. However, clothing with the company logo may be worn while on company time. Clothing to promote the company image of professionalism is encouraged at all times.

Allowances:

The company will provide an allowance of \$250 per year for each office employee, otherwise follow Reference Procedure #22.

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General:

All clothing purchased under this policy should bear the company name as appropriate. Employee discretion is urged when wearing clothing bearing the company name. While such clothing may be worn when the employee is not on company time, extreme care should be exercised. In no instances should an employee wear clothing bearing the company name in places or situations that might reflect negatively on Lane-Scott Electric Cooperative. All clothing no longer suitable for wear on company time or no longer meets the requirements of this policy shall have the company name removed before wear or use for any other purpose.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 5, 2022

Policy No.: 514

SUBJECT: Employee Retirement Plan

POLICY:

The Cooperative adopts the NRECA Retirement and Security Program for all full-time permanent employees and the terms and conditions thereof.

- A. The normal retirement shall be after thirty (30) years of service or reaching 62 years of age with a 2.0 multiplier.
- B. The plan will contain the cost-of-living adjustment (COLA) provision.
- C. Employees with no prior rural electric experience shall be eligible for participation in the Retirement and Security Plan following one full year of employment.
- D. Contribution rates to the retirement and security program for each participating employee will be paid by the Cooperative.

ATTESTED


Secretary

(seal)

Revisions: June 4, 2018
 August 23, 1993
 August 1983
 January 1, 1948

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: December 5, 2022

Policy No.: 515

SUBJECT: Employee NRECA Selectre Pension Plan (401(k) Plan)

POLICY:

Lane-Scott Electric Cooperative shall adopt the NRECA Selectre Pension Plan. Permanent full-time employees shall be eligible to participate after one full year of employment.

For those employees, hired, rehired, or transferred to the cooperative before July 1, 2018, the normal retirement date shall be 30 years of service or sixty-two (62) years of age. The Cooperative shall contribute to each Participant's account an Employer Matching contribution equal to the following schedule:

Employee Contribution:	Employer Matching Contribution:
2%	2%
5%	3%
8%	4%
10%	5%

All eligible Employees may choose to make pre-tax Employee Elective Contributions up to the limits prescribed by law.

All eligible Employees may also elect to make after-tax Voluntary Employee Contributions (VEC) to their account. Employees may make VEC contributions only without making any Employee Elective Contributions but shall not then receive any Employer Matching Contributions specified above.

ATTESTED Paul Seib, Jr.
Secretary

(seal)

Revisions: June 4, 2018
 October 1, 2007
 October 28, 2002
 August 23, 1993
 April 23, 1990
 August 1978
 May 24, 1976
 January 26, 1970

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 23, 1993

Policy No.: 516

Supersedes Date: February 24, 1992

SUBJECT: Non-Discrimination & Assurance against Sexual Harassment

POLICY:

A) Non-Discrimination

It is the policy of Lane-Scott Electric Cooperative, Inc. that no person shall, on the ground of race, color, religion, sex, national origin, disability or veteran status, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its programs and the operation of its facilities. Under this policy, this organization is committed not to discriminate against any person on the ground of race, color, religion, sex, national origin, disability or veteran status in its policies and practices relating to treatment of employees or employee benefits; rates of compensations; conditions of employment; extensions of service; or access to any meetings of such beneficiaries or employees in the conduct of the operation of this organization.

Any person or class of persons who claims to be subjected by Lane-Scott Electric Cooperative, Inc. to discrimination prohibited by Executive Order 11246 as amended, Title VII of the Act and the Rules and Regulations issued thereunder, may, individually, or through a representative, file a written complaint with the United States Equal Opportunity Commission, the General Services Administrator, the Secretary of Agriculture, the Administrator of the Rural Electrification Administration, and/or Lane-Scott Electric Cooperative. Identity of the complainant(s) will be kept confidential except to the extent necessary to investigate the complaint and to comply with applicable statutes, orders, and rules and regulations.

B) Sexual Harassment

It is the intent of Lane-Scott Electric Cooperative to prevent Sexual Harassment. Solicitation, interpretation, implication, both physically or verbally with sexual connotations, may be considered sexual harassment and may be in violation of the Civil Rights Act of 1964. Such practices are expressly forbidden by Lane-Scott Electric Cooperative, Inc.

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Sexual solicitation, interpretation, implication, either physically or verbally with regard to promotions, increased wages, or continuance of employment, could have severe consequences on a person's civil rights and such conduct will not be tolerated by Lane-Scott Electric Cooperative, Inc.

Failure to adhere to, or comply with Lane-Scott Electric Cooperative, Inc. position against sexual harassment, will result in disciplinary action which may include termination.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 23, 1993

Policy No.: 517

Supersedes Date: August 1966

SUBJECT: Equal Employment Opportunity

POLICY:

Each present and future employee of Lane-Scott Electric Cooperative, Inc. will be supplied with a written statement to the effect that the Cooperative is an equal employment opportunity employer, and will not discriminate, on the ground of race, creed, color or national origin, in hiring or in the terms and conditions of employment, including, but not limited to, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training or apprenticeship; and will not permit supervisory personnel to discriminate on these grounds in carrying out their assignments.

The Equal Employment Opportunity posters supplied by the Rural Electrification Administration shall be continuously and conspicuously displayed in and around the headquarters building and other cooperative buildings in areas frequented by employees and applicants for employment.

Lane-Scott Electric Cooperative shall notify in writing all employment agencies and other sources of recruitment for potential employees which the cooperative has used in the past, and any new ones to be used in the future, that all qualified applicants will receive consideration for employment without regard to race, creed, color or national origin; that standards for minority group applicant will be no more stringent than for others; and that minority group applicants will have an opportunity to be considered for all types of jobs.

The cooperative's advertisements soliciting applications for jobs shall contain the phrase "an equal opportunity employer" and that all such advertisements will be placed so as to reach all population elements in the area served by the cooperative.

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All forms used by the cooperative in connection with applicants for employment shall not request or contain information which can be used to identify an applicant's race, creed, color or national origin.

The cooperative's employee facilities, such as restrooms, fountains and transportation facilities, shall not be maintained and operated on a racially segregated basis.

If the cooperative enters into a contract for construction work in excess of \$10,000 or a contract or purchase order for standard materials and supplies for use in construction work which exceeds \$100,000, the corporation will require such contract, amendment or purchase order contain the Equal Employment Opportunity clause, and will give such notices and statements to contractors, subcontractors, and material suppliers as may be required of the cooperative by the Clause.

The General Manager is directed to take such steps as may be necessary to implement the foregoing policies, such as supplying written statements of policies to employees, displaying posters, etc. and he/she is further directed to maintain continuous supervision to the end that these policies be carried out by all effected employees.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: March 27, 2000

Policy No.: 518

Supersedes Date: August 23, 1993
April 23, 1984

SUBJECT: Employee Safety Glasses

OBJECTIVE:

Lane-Scott Electric Cooperative recognizes the hazard of possible eye injury to outside personnel while on the job. To lessen the danger of injury from foreign objects striking the eye or from flash burns the Cooperative encourages the wearing of safety glasses by instituting the following policy.

POLICY:

Safety eyeglasses shall be worn by all eligible employees who are subjected to occupational eye hazards on the following basis:

A. ELIGIBLE EMPLOYEES:

1. Anyone working on the line crew.
2. Warehouseman.
3. Any other employee exposed to occupational eye hazards as approved by the General Manager.

Visual care is each person's personal responsibility. The costs of prescription safety glasses will be provided for under the Cooperative's vision insurance. All costs not covered by the Cooperative's vision insurance will be the responsibility of the employee. The Cooperative will provide approved non-prescription safety glasses for all employees who do not require prescription glasses, limited to one per twelve-month period. The Cooperative will pay for repair of glasses or frames damaged on the job (except for damage caused by employee negligence). The employee shall pay the total cost of replacement which is necessary due to loss, theft, or damage due to negligence within twelve months of prior participation by the Cooperative.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: June 4, 2018

Policy No.: 519

Supersedes Date: August 23, 1993

Previously included in Policy #514 (August 1983)

SUBJECT: Employee Group Term Life Insurance

POLICY:

Lane-Scott Electric Cooperative will provide NRECA Group Term Life Insurance coverage and Accidental Death and Dismemberment (AD&D) insurance coverage to all full-time, permanent employees.

The coverage will be in an amount equal to two (2) times the employees' annual base wage.

Employees are eligible for Group Term Life Insurance and AD&D insurance with no waiting period. All costs of the Group Term Life Insurance and AD&D insurance for the employee will be paid by the Cooperative.

Child Life Insurance in the amount of \$10,000 and Spouse Life Insurance in amounts from \$10,000 to \$100,000 will also be available. Cost for Spouse Life and Child Life Insurance will be paid by the employee.

ATTESTED


Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: November 22, 2004

Policy No.: 520

Supersedes Date: August 23, 1993

SUBJECT: Occupational Safety and Health Administration - Hazard
Communication Standard

OBJECTIVE:

To ensure that all employees of Lane-Scott Electric Cooperative who are or may be exposed to hazardous chemicals under normal conditions are informed of the physical and health hazards associated with these chemicals.

POLICY:

A. HAZARDOUS CHEMICALS LIST

1. A list of all hazardous chemicals known to be present in the workplace shall be maintained by the cooperative. The list shall include all chemicals owned by the Cooperative wherever located. The list will be kept in the headquarters office.
2. Each chemical list will contain the chemical name, common name if applicable, and the location of each hazardous chemical used, produced or stored at each facility owned or operated by the Cooperative.
3. Individuals responsible for receiving or purchasing chemicals shall assure that all chemicals brought into the facility are listed on the chemical list. The Manager of Electrical Operations shall be notified immediately of any chemicals delivered to the Cooperative which do not appear on the chemical list.
4. The chemical list shall be reviewed and updated as needed.
5. Copies of the chemical list are available at the Cooperative headquarters located at 410 South High Street, Dighton, KS. The list shall be accessible to all employees during regular working hours and in cases of emergency.

B. LABELS AND OTHER FORMS OF WARNING

1. Each container of hazardous chemicals received by the Cooperative from any manufacturer or distributor shall be clearly labeled, tagged or marked with the following information:
 - a) Identity of the hazardous chemical or chemicals.
 - b) Appropriate hazard warnings
 - c) Name and address of the chemical manufacturer or distributor
2. Containers of hazardous chemicals that do not meet the labeling requirements shall not be received or accepted by the Cooperative until the requirements are met. Any containers already present at the Cooperative that do not meet labeling requirements shall not be released for use, issued or dispensed until the contents are identified and the container is properly labeled.
3. Portable or temporary containers into which hazardous chemicals are transferred from labeled containers, and which are intended only for the immediate use of the employee who performs the transfer are not required to be labeled, provided the portable or temporary container is emptied at the end of the employee's work shift.
4. Container labels shall not be removed or defaced. Employees shall immediately notify the Manager of Electrical Operations of any containers with defaced or removed labels.

C. MATERIAL SAFETY DATA SHEETS (MSDS)

1. MSDS's pertaining to each hazardous chemical known to be present at the cooperative shall be maintained by the cooperative and made available to all employees upon request during regular working hours and in cases of emergency. If a MSDS is not available for a particular hazardous chemical, the employee shall immediately notify the Manager of Electrical Operations.
2. MSDS's shall be obtained from the chemical suppliers as part of the purchase agreement. If problems arise in obtaining MSDS's, the Cooperative's purchasing agent shall contact the supplier to verify whether a MSDS is available and/or request that one be sent. The

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purchasing agent shall maintain a written record of all efforts made by the cooperative to obtain MSDS's. If the cooperative is unable to obtain a MSDS for any hazardous chemical known to be present at the cooperative's facilities, the OSHA area office will be contacted for assistance.

3. Each MSDS shall contain at least the minimum requirements imposed by the OSHA Hazard Communication Standard. All MSDS's will be reviewed at least annually to ensure that minimum requirements are maintained.

D. EMPLOYEE INFORMATION AND TRAINING

1. It is the General Manager's responsibility to ensure that all employees are properly trained in accordance with the requirements of the OSHA Hazard Communication Standard and this policy.
2. Employees will be provided with information and training on hazardous chemicals in the workplace at the time of their initial assignment and whenever a new hazard is introduced into the workplace. Such training shall take place prior to the use of any hazardous chemical by the employee.
3. All employees shall be informed of the location and availability of the written hazard communication policy, including the required hazardous chemical lists, and material safety data sheets.
4. Employees who are or may be exposed to hazardous chemicals in the course of their employment shall receive training which may include the following:
 - A. Methods in observations which may be used by the employee to detect the presence or release of a hazardous chemical in the work area.
 - B. The physical and health hazards of the chemicals in the work area.

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- C. Measures which can be taken to protect employees from exposure to hazardous chemicals, such as appropriate work practices, emergency procedures, and personal protective equipment to be used.
 - D. A detailed explanation of the labeling system and the material safety data sheets maintained by the cooperative.
 - E. The availability and location of the MSDS file and hazardous chemical list.
5. Training may be conducted by the use of one or more of the following methods:
- A. Classroom lecture
 - B. Film, slide, tape or video-based training
 - C. Individual or small group lectures
 - D. Work area walk-through
6. Training may be conducted during one or more of the following times:
- A. New employee orientation
 - B. Monthly safety meetings
 - C. Weekly or monthly employee meetings
7. After receiving initial training, all employees shall sign a form to verify their attendance at the training session and receipt of any applicable written materials. Roll call sheets will be kept indicating employee attendance during all other hazardous chemical training sessions. The sessions are conducted in our safety meetings as required or new chemicals are obtained. All records shall be maintained by the General Manager for an indefinite period of time.

E. MISCELLANEOUS

1. Copies of the Cooperative's Hazardous Communication Policy, and OSHA Hazard Communication Standard, all MSDS's and chemical inventory lists will be made available to any employee upon request.

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2. This written Hazard Communication Policy shall be reviewed by the Cooperative at least annually and revised as necessary.

F. RESPONSIBILITY

The General Manager shall be responsible for the administration of this policy. The General Manager shall be responsible for reviewing and making necessary changes in this policy as may be recommended or that are required by changing the circumstances or law.

ATTESTED _____
Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: May 23, 2005

Policy No.: 521

Supersedes Date: May 24, 1993

SUBJECT: Employee Conflict of Interest

POLICY:

Conflicts of Interest

Employees of Lane Scott Electric Cooperative Inc. shall not engage in, by direct or indirect interest in, connection with, or benefit from any outside activities, particularly commercial activities, which interest might in any way adversely affect Lane Scott Electric Cooperative Inc., or any of its affiliates, involving a possible conflict of interest. In keeping with employee's fiduciary duties to the Cooperative, employees of the Cooperative shall not knowingly become involved in a conflict of interest with Lane-Scott Electric Cooperative Inc., or any of its affiliates, or upon discovery thereof, allow such a conflict to continue. Moreover, employees are hereby obligated to disclose to Cooperative's general manager any facts, which might involve such a conflict of interest that has not been approved by Cooperative's Board of Trustees.

The Cooperative recognizes that it is impossible to provide an exhaustive list of actions or interests, which constitute a "conflict of interest." Moreover, the Cooperative recognizes there are many borderline situations. Employees are encouraged to inquire with the general manager in any instance where there may be a conflict of interest prior to engaging in the activity for a determination of whether a conflict would exist. In some instances, full disclosure of facts by the employee to the Cooperative's general manager may be all that is necessary to enable the Cooperative or its affiliates to protect its interests. In others, if no improper motivation appears to exist and the interests of Cooperative or its affiliates have not suffered, prompt elimination of the outside interest will suffice. In still others, it may be necessary for the Cooperative to terminate the employment relationship. Any decision made by the general manager determining the existence or non-existence of a conflict of interest shall hereby operate as the Cooperative's determination as to whether a conflict of interest exists and shall be conclusive. The Cooperative hereby reserves the right to take such action as, in its judgment, will end the conflict.

ATTEST: _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: January 31, 2002

Policy No.: 522

Supersedes Date: April 25, 1994

SUBJECT: Director and Employee Dependents Eligibility for Youth Programs.

OBJECTIVE:

To set forth the policy of the Cooperative with regard to the ineligibility of children and/or dependents of Board members and employees to participate in youth tour and scholarship programs sponsored by the Cooperative.

POLICY:

The Board has determined that certain relatives of employees and members of the Board should be eligible for special programs sponsored by the Cooperative for the advancement of the youth of the membership.

PROVISIONS:

All children and /or dependents of a member of the Cooperative's Board of Directors or employees shall be eligible for participation in the following specific youth oriented programs:

1. Washington Youth Tour Program, (Government in Action Tour).
2. Youth Energy Camp Program.
3. Scholarship Programs.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: March 22, 1995

Policy No: 523

Supersedes Date: No previous policy.

SUBJECT: Bloodborne Pathogens

OBJECTIVE:

To protect employees from exposure to bloodborne pathogens and the Hepatitis B Virus, as well as to comply with all current federal, state and local laws which deal with the subject.

POLICY:

The Cooperative shall provide a formal exposure control plan separate and apart from this document, as well as revise the exposure control plan when necessary. The Cooperative shall also provide all necessary personal protective equipment and cleanup materials for employee use. The Cooperative shall also provide for proper training of employees who may be exposed.

The Manager shall be responsible for the administration of this policy. He shall issue such procedural regulations as may be required to effectively administer this policy and shall be responsible for formulating any recommended changes in policy content which require action by the Lane-Scott Electric Co-op Board of Trustees. All supervisors are responsible for being alert to possible violations of this policy by employees under their supervision. Compliance with the Bloodborne Pathogen Exposure Control Plan is a **CONDITION OF EMPLOYMENT**. Employees shall be given a copy of this policy and the exposure control plan and be asked to sign a statement acknowledging its receipt and evidencing their willingness to comply with it.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: July 12, 2021

Policy No.: 524

Supersedes Date: July 12, 2010, February 25, 2002
May 22, 1995

SUBJECT: Drug and Alcohol-Free Workplace

ALCOHOL AND DRUG-FREE WORKPLACE STATEMENT:

Lane-Scott Electric Cooperative, Inc. is committed to providing a safe work environment and to fostering the well-being and health of its employees. This commitment is jeopardized when any ***Lane-Scott Electric Cooperative, Inc.*** employee misuses prescription or over-the-counter drugs, uses drugs not prescribed by a physician or marijuana any time or alcohol on the job, comes to work with these substances present in his/her body, or possesses, distributes, or sells drugs or alcohol in the workplace. The safety and health of employees, protection of the environment, quality of our products, and financial performance of our Company can be directly affected by the use of drugs not prescribed by a physician or marijuana and misuse of alcohol.

Lane-Scott Electric Cooperative, Inc. believes that it is very important to provide a safe workplace for all of its employees. In so doing, the Company is taking steps to address the problem of substance use that negatively affects every workplace, including ours. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that alcohol abuse and use of drugs not prescribed by a physician or marijuana are incompatible with employment at ***Lane-Scott Electric Cooperative, Inc.*** This policy applies to all employees of ***Lane-Scott Electric Cooperative, Inc.***, including management. We cannot condone and will not tolerate behaviors on the part of employees that relate to prohibited substance use, such as:

- The use of drugs not prescribed, for you, by a physician or marijuana.
- The misuse of alcohol.
- The misuse of prescription or over-the-counter medications.
- The sale, purchase, transfer, manufacture, use or possession of any drugs not prescribed, for you, by a physician or marijuana.
- Arrival or return to work after having used any drug or alcohol or being under the influence of any drug (legal or illegal) or alcohol to the extent that job performance is affected.

Other consequences that apply to all employees who violate this policy are clearly

spelled out within this document. **PLEASE READ THIS POLICY CAREFULLY.**

This policy that describes the ***Drug-Free Workplace Program***. This policy covers the five key parts of the Company's ***Drug-Free Workplace Program***. The five parts consist of:

1. A written policy that clearly spells out the program and how everyone benefits.
2. Annual substance awareness education for all employees.
3. Training for supervisors regarding their responsibilities.
4. Drug and alcohol testing- the most effective way to change harmful substance use behaviors.
5. Employee assistance.

Employees will have the opportunity to receive information about substance use as a workplace problem, signs and symptoms, dangers of use, and how and where to get help for themselves and their families. A staff member will be appointed the Drug-Free Workplace Program Administrator (herein referred to as the Program Administrator).

The Program Administrator will be responsible for coordinating drug and alcohol testing, identifying resources that employees can turn to for help for themselves and/or their families, and arranging for qualified people to help with employee awareness education and with supervisor training.

Compliance with the Alcohol and Drug Free Workplace Policy is a condition of employment with the Company. Failure to cooperate fully, sign any required documents, submit to any inspection or test, or follow any prescribed course of substance or alcohol abuse treatment will result in termination of employment.

WARNING: ANY POSITIVE RESULT OR ANY REFUSAL TO TEST MAY AFFECT YOUR ELIGIBILITY FOR COMPENSATION AND BENEFITS UNDER THE WORKERS' COMPENSATION LAWS OF THIS STATE.

Nothing in this policy or in any oral representation by any Company representative related to any aspect of this policy is intended to alter the existing relationship between the Company and any employee and is not intended to create an express or implied contract of employment, or any promise of job security upon which an employee can rely.

Unless otherwise specified, all employment relations with the Company remain "at will."

This program is designed to protect employee's rights and to protect all who come in contact with this workplace from the behaviors of substance users. Some of the protections built into the program are:

1. Employee records such as testing results and referrals for help will be kept confidential. Information will be on a need-to-know basis. Any violation of confidentiality rights is subject to disciplinary action up to and including termination of employment.
2. We are committed to employees who come forward with a substance problem to

get help. Each situation will be reviewed individually. Employee assistance information is available for employees and their families, including a list of resources available through the Program Administrator and distributed to all employees.

3. Employees will receive substance awareness education from a qualified person to help identify problems and learn where to turn to for help. This will be done annually.
4. Illegal drugs found on Company property may be turned over to law enforcement authorities.
5. The company will administer the Alcohol and Drug-Free Workplace program within Federal and State regulations.

ADMINISTRATION OF ALCOHOL AND DRUG-FREE WORKPLACE PROGRAM

Supervisors and employees should contact the Program Administrator for guidance or assistance with the Alcohol and Drug-Free Workplace Program.

Testing Procedure:

Testing will be done through a qualified collection provider and through a federally certified laboratory that uses the highest level of care in ensuring that results are accurate. When properly conducted, this process is considered scientifically accurate in detecting that the substances that the Company is concerned about are present in the employee's "system" in sufficient quantity to lead to behaviors that may endanger the person or other employees.

The certified lab will work closely with our local collection provider to ensure fairness and accuracy. **Lane-Scott Electric Cooperative, Inc.** has retained the services of a Medical Review Officer (MRO), who is a qualified, trained physician responsible for checking whether there is a valid medical reason for the presence of a substance in the employee's system.

The MRO is experienced in dealing with substance use. When a positive test result is received, the MRO will contact the employee and, with the employee's permission, any appropriate health care provider to determine whether there is a valid reason for the presence of the drug in the individual's system.

The testing program consists of an initial screening test whenever a test is determined to be appropriate. If the initial results are positive, then a second test is used. Cut-off levels for each drug and for alcohol are established based on federal guidelines. There are many other protections for employees that are built in.

An employee's violation of this policy will not be reported to law enforcement unless required by a regulatory body or by criminal statute, such as related to drug trafficking. However, in protection of the workforce, law enforcement may be requested to come onto Company property in conjunction with a referral for criminal prosecution. The MRO shall comply with all reporting requirements to the FMCSA Drug and Alcohol

Clearinghouse.

Employee Awareness and Training:

Employees will be given awareness training for the Alcohol and Drug-Free Workplace Policy. Every current employee will be required to attend a session in which this program is discussed. There will be an opportunity to ask questions. This written policy will be shared, and everyone will be expected to sign an acknowledgement of receipt. We will have a qualified person explain why and how substance use is a workplace problem, the effects, signs/symptoms of use, effects of commonly used drugs in the workplace, and how to get help. We will also cover how an employee can get a referral for employee assistance, the importance of determining how much of a substance problem the employee has, and what type of help is needed. There will be educational awareness annually for all employees. New employees will hear about the program during orientation and will receive substance education as soon as possible thereafter.

Employee Assistance Program:

The Company believes in offering useful information to assist employees with a substance problem. We are supportive of employees taking action on their own behalf to address a substance problem. The Company will make information regarding local substance abuse resources available to any employee in need of assistance. Please contact your supervisor or program coordinator for such information.

Be forewarned, however, that any employee found to be in violation of this policy will be terminated.

The implementation of discipline or of sanctions shall be at the sole discretion of the Company.

Employee testing:

Lane-Scott Electric Cooperative, Inc. has adopted testing practices to identify employees who use drugs not prescribed, for them, by a physician or marijuana, misuses prescription or over-the-counter medications or misuses alcohol either on or off the job. It shall be a condition of employment for all employees to submit to drug and alcohol testing under the circumstances in the following section. When a situation develops that requires or may require drug or alcohol testing for Reasonable Suspicion or an On-the-Job Incident, two supervisors (if there are two supervisors available) will approach the subject employee. The employee should be removed from the job and brought to a private area for the discussion.

Drug and Alcohol Testing:

Testing is intended to detect use, deter usage and allow appropriate corrective and/or disciplinary action. In addition to alcohol, the drugs that we are testing for are:

1. Amphetamines (speed, uppers)
2. Cocaine (including Crack)
3. Marijuana (legal or illegal)
4. Opiates (Codeine, Heroin, Morphine)
5. Phencyclidine (PCP, "angel dust")

An employee attempting to adulterate a specimen or otherwise manipulate the testing process **will be terminated**, as will an employee who refuses to produce/provide a specimen or otherwise cooperate in the testing process.

Prescription medicine and over-the-counter drugs:

The Company does not prohibit employees from using prescription or over-the-counter drugs when used as prescribed, except marijuana, provided:

1. The prescription drugs are prescribed to the employees for medical reasons by a licensed medical practitioner, with dosage and frequency of use prescribed on the label or accompanying documentation, and
2. The employee's use of the prescription or over-the-counter drugs does not affect the employee's job performance or conduct; threaten the safety, productivity, public image or property of the Company or its employees; or result in criminal behavior.

No employee is to perform any function or duty on behalf of the Company if the drugs being taken under this provision adversely affect his or her ability to perform any such function or duty safely.

All safety sensitive employees must report, in writing, to the assigned **HR Director** the use of prescribed or over-the-counter medication that contains a warning the same or similar to the following: "May impair mental and/or physical performance." The Company may restrict the employee's work assignments while he/she continues to use such medication.

Employees must keep all medication in its original container which identifies the drug.

Safety sensitive is any job or function identified by the Company, which by the nature of the work activity, could be dangerous and/or unsafe to the employee, co-workers, customers or the general public due to any momentary lapse in attention or judgment.

CIRCUMSTANCES FOR ALCOHOL AND DRUG TESTING:

WHEN TESTING WILL OCCUR

A. Post-offer/Pre-employment

As a condition of employment, all candidates being considered for employment with the Company must satisfactorily complete a post-offer/pre-employment drug screen prior to reporting to duty. Any offer of employment is contingent upon, among other things,

satisfactory completion of this screening, and the determination by the Company that the applicant is capable of performing the responsibilities of the position that has been offered.

B. Reasonable Suspicion Testing

Reasonable suspicion testing will occur when Company management and/or supervision have reason to suspect that an employee may be in violation of this policy. The suspicion must be documented in writing within 24 hours of the event or prior to the release of the test findings. Reasonable suspicion testing may be based upon, among other things:

1. Observed behavior, such as direct observation of drug/alcohol use or possession and/or the physical symptoms of drug and/or alcohol use;
2. A pattern of abnormal conduct or erratic behavior;
3. Arrest or conviction for a drug-related offense, or the identification of an employee as the focus of a criminal investigation into illegal drug possession, use, or trafficking. The employee is responsible for notification to the Company, within five (5) working days, of any drug-related conviction;
4. Information provided either by a reliable and/or credible sources or independently corroborated, regarding an employee's substance use; or
5. Newly discovered evidence that the employee has tampered with a previous drug or alcohol test.

Reasonable suspicion testing does not require certainty, but mere "hunches" are not sufficient to justify testing. To prevent this, all supervisors will be trained in the recognition of drug and alcohol-related signs and symptoms. Testing may be for drugs or alcohol or both.

C. Post-Accident Testing

Post-accident testing will be conducted whenever an accident occurs as defined below. For the purposes of this policy, an accident is considered an unplanned, unexpected or unintended event that occurs on Company property, during the conduct of the Company's business, during working hours, or which involves Company-supplied equipment, motor vehicles or motor vehicles that are used in conducting Company business, or is within the scope of employment, and which results in any of the following:

1. a fatality;
2. bodily injury requiring medical attention beyond first aid and administered within 32 hours of the incident;
3. vehicular and/or equipment damage in apparent excess of \$750.00, or non-vehicular property damage in apparent excess of \$500.00.
4. Per the guidelines outlined in Part 49 of the Code of Federal Regulations (CFR) and Part 382, Controlled Substances and Alcohol Use and Testing, of the

Federal Motor Carrier Safety Regulation (FMCSR).

When such an accident results in one of the situations above, any employee who may have contributed to the accident will be tested for drug and/or alcohol use **provided** the company has reasonable cause to believe that the employees involved may have violated this policy by using a prohibited substance. "Reasonable cause" includes a pattern of behavior or circumstances that involves an accident which includes an error in reason, timing or judgment.

Timing: Drug and/or alcohol testing after an accident

Urine specimen collection (for a drug test) or breath/saliva (for an alcohol test) is to occur immediately after a need has been determined. At no time shall a drug specimen be collected after 32 hours from the time of an employment-related incident. Breath or saliva alcohol testing will be performed within two (2) hours of the incident whenever possible, but within eight (8) hours, or it won't be performed. However, the reason for the delay will be documented. If the employee responsible for an employment-related accident is injured, it is a condition of employment that the employee herein expressly grants to the Company, its officers and management, the right to request that attending medical personnel obtain appropriate specimens (breath, blood and/or urine) for the purpose of conducting alcohol and/or drug testing. Further, all employees herein expressly grant to the Company, its officers and management, access to any and all other medical information that may be relevant in conducting a complete and thorough investigation of the employment-related accident, to include, but not be limited to, a full medical report from the examining physician(s) or other health care providers.

D. Random Drug and Alcohol Testing

Random testing will include all company employees and is conducted on an unannounced basis. An independent, non-Company testing organization will utilize objective computer software that ensures a truly random selection process in which all employees in the testing pool have an equal statistical likelihood of being selected for testing.

Random selection shall be at the minimum annual rate of 25% for those subject to testing; however, the company may elect to test at a higher rate.

When the next random draw is conducted, all employees are again included in the pool with an equal chance of selection, regardless of whether an employee was previously selected.

Employees required to have a valid CDL license for their position will be tested in compliance with the guidelines outlined in Part 49 CFR and Part 382 FMCSR (See Appendix 3). Under federal guidelines, the random selection shall be at the minimum annual rate of 25%; however the company may elect to test at a higher rate.

The Company will provide employee identification numbers to be used in the random selection drawing. The contractor will, in turn, furnish the Company with a list of individuals to be tested at the beginning of each selection period. It shall be the

responsibility of the Company to notify each employee who was selected with the date, time and location for that random test. Once the employee is notified of the selection to submit to random testing, it shall be the responsibility of the employee to appear for testing immediately and to provide a urine specimen for drug testing and or submit to breath-alcohol testing.

An employee's failure to timely comply with the request for a specimen for random testing will be considered a refusal to submit to testing and may result in termination of employment.

EMPLOYEE CONSENT

All ***Lane-Scott Electric Cooperative, Inc.*** employees and applicants will be required to complete and sign the appropriate consent form before the actual testing takes place. The employee consent form applies to blood or breath specimens for alcohol and a urine specimen for drugs. Failure to comply with a drug or alcohol testing request will be considered a refusal, and will be regarded as insubordination and subject to discipline up to and including termination.

SUBSTANCES TO BE TESTED FOR AND THE METHODS OF TESTING

Urine testing for drugs (other than alcohol):

"*Systems presence testing*" is the procedure that is used to identify the presence of the following controlled substances that may be present: (A negative initial screening test is considered a negative test.) For each of the tested drugs amphetamines, cocaine, marijuana, opiates and PCP, there is an initial test used to screen the urine specimen. If the initial screen is positive [at or higher than a cut-off level in accordance with federal Department of Health & Human Services (DHHS)], a second or confirmatory test is done. This is a different test and is considered scientifically accurate. Detection thresholds (or cut-off levels) are standards that have been established by the DHHS for each of the above drugs after years of research. These levels will be used to interpret all drug screens/tests, whether for a pre-employment examination, reasonable suspicion test, post-accident test, random or follow up test.

The Company also expressly reserves the right to add or delete substances on the list above, especially if mandated by changes in existing Federal, State or local regulations or legislation.

Alcohol testing:

A testing contractor that uses only federally qualified equipment and personnel will conduct breath alcohol and/or saliva testing. Breath alcohol concentrations exceeding 0.04 will be considered a verified positive result. In the event of an accident where an employee has a "whole blood" alcohol drawn at a medical treatment facility, a result equal to or greater than 0.04 shall be considered to be a verified positive result. An Evidentiary Breath Test (EBT) is used to confirm any initial positive test result. Any employee testing at or above 0.04 will be removed from any safety-sensitive position and will be subject to the discipline specified below (See CONSEQUENCES).

SPECIMEN COLLECTION PROCEDURE

Trained collection personnel, who meet quality assurance and chain-of-custody requirements for urine collection and breath alcohol testing, shall conduct testing. Confidentiality is required from all service providers. Any individual subject to testing under this policy shall be permitted to provide urine specimens in private, but subject to strict scrutiny by collection personnel so as to avoid any adulteration or substitution of the specimen to be provided.

Breath alcohol testing will likewise be done in an area that affords the individual privacy. In all cases, there will only be one individual tested at a time. Failure to appear for testing when scheduled shall be considered refusal to participate in testing, and will result in termination. (For an applicant, failure to appear will result in withdrawal of any offer of employment).

All aspects of the testing procedure will be carried out in a confidential and private manner. After receiving notification to report for drug testing, the employee or applicant will go to the collection site and will:

1. Provide a photo ID;
2. Assist in completing a Drug Testing Chain of Custody and Control form;
3. Provide a urine specimen in privacy;
4. Be expected to observe the entire collection, processing and chain of custody procedure of the specimen;
5. Read, sign and date the chain of custody statement certifying the specimen is that individual's and it has not been changed or altered at the time of collection;
6. Note the temperature reading on the collection bottle and verify the temperature reading was correctly recorded on the form.

REVIEW OF TEST RESULTS

To ensure fairness the Company has hired a licensed physician to review positive drug test results. This physician is referred to as the Medical Review Officer or MRO. The MRO is a medical doctor or doctor of osteopathic medicine with a specialized knowledge of substance abuse disorders. The role of the MRO is to review in confidence with the donor any possible legitimate medical explanation for the result. Federal Guidelines on this procedure will be followed. In the absence of any medical justification for the presence of drugs in the body, that result will be verified as positive and the Company will be notified.

EMPLOYEES' RIGHTS RELATED TO AN INITIAL POSITIVE TEST RESULT

An employee who tests positive under this policy will be given an opportunity to explain, in confidence, the findings to the MRO prior to the issuance of a positive test result to the Company. Upon receipt of a confirmed positive finding, the MRO will attempt to contact the employee by telephone. If contact is made by the MRO, the employee will be informed of the positive finding and given an opportunity to rebut or explain the findings. The MRO

can request information on recent medical history and on medications taken within the last thirty days by the employee. If the MRO finds support in the explanation offered by the employee, the employee may be asked to provide documentary evidence to support the employee's position (for example, the names of treating physicians, pharmacies where prescriptions have been filled, etc.). A failure on the part of the employee to provide such documentary evidence will result in the issuance of a positive report by the MRO with no attendant medical explanation.

If the employee fails to contact the MRO as instructed, the employee will be considered to have waived the right to do so and/or to have failed to cooperate in the test process. The MRO will issue an appropriate (positive/confirmed adulteration, etc.) report to the Company.

REPORTING OF RESULTS

All test results (positive, negative, adulterated) will be reported directly to the MRO by the laboratory prior to the results being issued to the Company. Each substance tested for will be listed along with the results of the testing. The Company will receive a summary report, and this report will indicate that the employee passed or failed the test. All of these procedures are intended to be consistent with the most current guidelines for Medical Review Officers, published by the federal DHHS.

STORAGE OF TEST RESULTS AND RIGHT TO REVIEW TEST RESULTS

All records of drug/alcohol testing will be stored separately and apart from the employee's general personnel documents. Access is limited to designated Company officials on a "need to know" basis. The information contained in these files shall be utilized only to properly administer this policy and provided to certifying agencies for review as required by Law. Those designated Company officials that shall have access to these records are charged with the responsibility of maintaining the confidentiality of these records. Any breach of confidentiality with regard to these records may be an offense resulting in termination of employment. Any employees tested under this policy have the right to review and/or receive a copy of their respective test results. An employee may request from the Drug-Free Workplace Program Administrator, in writing, with a duly notarized Employee Request for Release of Drug Tests Results form, that a copy of the test be provided. The Company will use its best efforts to promptly comply with this request and will issue to the employee a copy of the results personally or by U.S. Certified Mail, Return Receipt Requested.

CONSEQUENCES

Any violation of this policy SHALL result in discipline as

follows: ALCOHOL USE:

First positive result at 0.04 or above:

Termination

DRUG USE:

Any reported, confirmed positive result for the presence of any prohibited controlled substance will, **THE FIRST TIME**, result in **termination of employment**.

Refusal: Any refusal to submit to testing, failure to cooperate with the test process or any attempt to adulterate a sample may result in termination of employment and may affect eligibility for compensation and benefits under the state's workers' compensation laws.

TERMINATION NOTICES

In those cases where testing results in the termination of employment, all termination notices will list "misconduct" as the reason. Termination shall be deemed "for cause."

APPENDIX 1

Definitions:

The following definitions shall apply to the interpretation and enforcement of this policy. Where any conflict occurs between this policy and state law, state law shall govern.

Glossary of Acronyms

ADA Americans with Disabilities Act

AOD Alcohol and Other Drugs

BAC Blood Alcohol Content

CADCA Community Anti-Drug Coalition of America

CAP College of American Pathologists

CCDCIII Certified Chemical Dependency Counselor

CEAP Certified Employee Assistance Professional

DHHS U.S. Department of Health and Human Services

DOT U.S. Department of Transportation

EAP Employee Assistance Program

FMCSA Federal Motor Carrier Safety Administration

5-Panel A drug test covering five drugs (required by DOT/FMCSA)

GC Gas Chromatography (part of confirmatory drug test)

MCO Managed Care Organization

MRO Medical Review Officer

MS Mass Spectrometry (part of confirmatory drug test)

NCADI National Clearinghouse of Alcohol and Drug Information

NHTSA National Highway Traffic Safety Administration

NIDA National Institute on Drug Abuse (now SAMHSA)

OTC Over-The-Counter medications

SAMHSA Substance Abuse and Mental Health Services Administration

SAP Substance Abuse Professional

9-Panel A drug test covering nine drugs

TPA Third Party Administrator

APPENDIX 2

Drug and Alcohol Testing Terminology

Accident - An incident or injury which occurs on Company property, on Company business, or during working hours, or which involves Company-supplied motor vehicles/equipment or motor vehicle/equipment being used for Company purposes and which results in any of the following:

1. a fatality;
2. bodily injury requiring medical attention beyond first aid and administered within 32 hours of the incident;
3. vehicular and/or equipment damage in apparent excess of \$750.00, or non-vehicular property damage in apparent excess of \$500.00.

NOTE: A post-accident drug and/or alcohol test should be administered as soon as possible after necessary medical attention is administered; preferably within 4 hours for alcohol and 24 hours for drug.

Air blanks - A quality assurance test administered on an EBT to ensure that the machine is testing accurately.

Alcohol concentration - The amount of alcohol in an individual's breath, measured in grams per 210 liters of breath.

Alcohol test - A test used to detect the content level of alcohol in the blood (BAC). This may be performed by using federally authorized testing equipment such as breath or saliva test with an evidentiary breath testing device (EBT) applied for confirmation, or this level can be determined through a blood test.

Breath alcohol technician (BAT) - The only technician who can conduct a breath alcohol test for the Bureau's DFWP Program. To be classified a BAT, an individual is required to complete training and proficiency requirements outlined by the federal government.

Chain of custody - The protocol followed when submitting specimens for drug testing. It assures that there is no opportunity for contamination or switching of samples. Elements include signed and witnessed forms, sealed and initialed containers, and couriers requiring a receipt.

Collection site - A place where individuals provide specimens of their urine to be analyzed for the presence of drugs, or breath, saliva or (on rare occasion) blood to be analyzed for the presence of alcohol. This site may or may not be owned and/or operated by the laboratory that actually analyzes the specimen.

Collection site person - Only those individuals qualified in accordance with federal guidelines (49 CFR Part 40) shall be permitted to administer a drug test collection under this policy unless otherwise specified.

Company property or premises – including buildings, offices, warehouses, plants, facilities, land, equipment, vehicles which are owned/leased/used for Company business and parking lots owned/utilized by the Company or any customers or supplier of the Company. It also includes any other site at which the Company business is transacted whether on or away from the Company's property.

Confirmatory test - When testing for drugs, this is the second analytical procedure to confirm the presence of a specific drug/metabolite in a urine specimen. This procedure uses a more sophisticated technique (e.g., GC/MS, EBT) to ensure reliability and accuracy. With breath testing for alcohol, the confirmatory test is conducted on an EBT which has the capability to print out the results, date and time, a sequential test number, and the name and serial number of the testing device.

Cut-off level - A pre-determined amount of drug metabolite, measured in nanograms (ng) per milliliter (ml) of urine, which constitutes whether a tested specimen is negative or positive. For example, a test would be declared positive if the amount of drug/metabolite were equal to or above the cut-off level. Employers typically choose levels that have been adopted and tested by a recognized authority such as the Department of Health and Human Services (DHHS) or, for drugs other than the "DOT 5," are recommended by their DHHS-certified laboratory.

DHHS (also referred to as NIDA or SAMHSA) -certified laboratory - A drug testing facility, which is certified and closely monitored by the DHHS. To obtain and maintain certification, a laboratory must undergo extensive performance testing and on-site inspections.

Drug metabolite - The specific substance produced when the body breaks down a given drug as it passes through the body and is excreted in the urine.

Drug test - Both a screening test and a confirmation must be used to establish a positive test result. The tests will analyze the following drugs in the body in quantities which are at or greater than the specified "cut-off" levels:

<u>Drugs</u>	<u>EMIT Screen</u> (ng/ml)	<u>GC/MS Confirmation</u> (ng/ml)
Amphetamines	1,000	500
Cannabinoids (THC)	50	15
Cocaine/Crack	300	150
Opiates	2,000	2,000
Phencyclidine (PCP)	25	25

Evidentiary breath testing devices (EBT) - Instruments used to measure the amount of alcohol in an individual's system. In DOT/FMCSA-mandated alcohol testing, these instruments are approved by the federal government and operated by trained and certified technicians. The DFWP Program is modeled on the federal programs in terms of procedures.

Enzyme multiplied immunoassay technique (EMIT) - A preliminary screening test performed on a urine specimen to identify the presence of a drug/metabolite in an individual's system. If this test is positive, while accurate, a second and more sophisticated analysis is conducted to confirm which drug/metabolites are present and in what quantity.

Gas Chromatography/Mass Spectrometry (GC/MS) - A state-of-the-art test used to confirm the presence and amount of an identified drug/metabolite in a urine specimen.

Laboratory - Facility where a urine specimen is analyzed for the presence of drugs/metabolites. The specimen is typically not collected at this facility, but rather at a designated collection site that then ensures timely transport of the specimen to the laboratory.

Medical Review Officer (MRO) - A licensed physician responsible for receiving laboratory results and determining if there is a medical explanation for the presence of drugs/metabolites in the donor's urine. This physician must be qualified in accordance with federal guidelines (49 CFR Part 40) and have knowledge of substance use disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history and any other relevant medical information.

On the job – during working hours, while performing work duties, while acting within the scope of employment, and/or while on, in or using Company premises or property. Subject to the alcohol exception this also includes breaks, meal periods, and time between split shifts regardless of whether the employee is actually on Company premises.

Prohibited or illegal drugs – chemical substances which:

- a. are not legally obtainable
- b. are legally obtainable but have been obtained or are used illegally; or
- c. are legally obtained and used as prescribed, but prohibited; or
- d. are not for the purpose for which they are prescribed or manufactured; and
- e. may include, but not limited to the following:
Marijuana, cocaine, opiates (morphine, heroin, codeine), alcohol used for minors, amphetamines, benzodiazepines, barbiturates, and phencyclidine (PCP).

Reasonable suspicion – A belief that illegal drug and/or alcohol involvement and/or use is influencing employee's behavior, appearance, job performance, or fitness for duty, and/or that employee is under the influence of or is possessing, selling, purchasing, receiving, manufacturing or distributing illegal drugs or alcohol while on the job or while on Company premises.

- a. Observed behavior, such as direct observation of drug/alcohol use or Possession and/or the physical symptoms of drug and/or alcohol use;
- b. A pattern of abnormal conduct or erratic behavior;
- c. Arrest or conviction for a drug-related offense, or the identification of an employee as the focus of a criminal investigation into illegal drug

possession, use, or trafficking.

The employee is responsible for notification to the Company, within five (5) working days, of any drug-related conviction;

- d. Information provided either by reliable and credible sources or independently corroborated regarding an employee's substance use; or
- e. Newly discovered evidence that the employee has tampered with a previous drug or alcohol test.

Reasonable suspicion testing does not require certainty, but mere "hunches" are not sufficient to justify testing. To prevent this, all supervisors will be trained in the recognition of drug and alcohol-related signs and symptoms. Testing may be for drugs or alcohol or both.

Re-test - A second-opinion analysis of a urine specimen originally deemed positive for drugs/metabolites. This test is usually requested by the donor and performed at a laboratory meeting the same standards as the lab conducting the first analysis.

Safety sensitive – Any job or function, identified by the Company, which by the nature of the work activity, could be dangerous and/or unsafe to the employee, co-workers, customers or the general public due to any momentary lapse in attention or judgment.

Screening Test Technician (STT) - A technician who is qualified under federal guidelines (49 CFR Part 40 as may be amended) to use the saliva testing mechanism to screen for alcohol.

Substance Abuse Professional (SAP) - A professional who is qualified under federal guidelines (49 CFR Part 40) to perform alcohol/drug assessments. Such qualified professionals include licensed physicians, licensed/certified psychologists, social workers, employee assistance professionals and certified addiction counselors with knowledge of and clinical experience in the diagnosis and treatment of alcohol/drug-related disorders.

APPENDIX 3

Drug and Alcohol Testing Procedures For Commercial Drivers

The following provisions shall be applied to any employee that is required to hold a commercial driver's license (CDL) to perform assigned tasks. Where appropriate, those employees holding a CDL may also be tested under the general company testing provisions, such as in post injury situations where there is no DOT-reportable accident but there is an injury requiring medical attention away from the site of the injury, provided it has been determined that reasonable suspicion of prohibited substance use exists.

Management Guide for: Commercial Driver Drug and Alcohol Testing Provisions:

Applies to: Any employee required to hold a commercial driver's license to perform assigned tasks and/or who operates any vehicle in excess of 26,001 pounds gross vehicular weight.

Definitions: See the general company policy. If there is a conflict between the general company policy and this ADDENDIX this APPENDIX shall apply. The following definitions shall govern any interpretation involving a commercial driver:

"Actual knowledge" *applies only to federally regulated workers and means actual knowledge by an employer that a has used alcohol or controlled substances based on the employer's direct observation of the employee, information provided by the driver's previous employer(s), a traffic citation for driving a CMV while under the influence of alcohol or controlled substances or an employee's admission of alcohol or controlled substance use, except as provided elsewhere in this policy. Direct observation as used in this definition means observation of alcohol or controlled substance use and does not include observation of employee behavior or physical characteristics sufficient to warrant reasonable suspicion testing under this policy.*

"Adulterated specimen" *means a specimen that contains a substance that is not expected to be present in human urine, or contains a substance expected to be present but is at a concentration so high that it is not consistent with human urine.*

"Air blank" *means, in evidential breath testing devices (EBTs) using gas chromatography technology, a reading of the device's internal standard. In all other EBTs, a reading of ambient air containing no alcohol.*

"Alcohol" *means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl alcohol.*

"Alcohol concentration" (or content) means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test under this policy.

"Alcohol confirmation test" means a subsequent test using an EBT, following a screening test with a result of 0.02 or greater that provides quantitative data about the alcohol concentration.

"Alcohol screening device (ASD)" means a breath or saliva device, other than an EBT, that is approved by the National Highway Traffic Safety Administration (NHTSA) and placed on a conforming products list (CPL) for such devices.

"Alcohol screening test" means an analytic procedure to determine whether an employee may have a prohibited concentration of alcohol in a breath or saliva specimen.

"Alcohol testing site" means a place selected by the employer where employees present themselves for the purpose of providing breath or saliva for an alcohol test.

"Alcohol use" means the drinking or swallowing of any beverage, liquid mixture or preparation (including any medication), containing alcohol.

"Blind specimen or blind performance test specimen" means a specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so that the laboratory cannot distinguish it from an employee specimen.

"Breath Alcohol Technician (BAT)" means a person who instructs and assists employees in the alcohol testing process and operates an evidential breath testing device.

"Cancelled test" means a drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which this policy otherwise requires to be cancelled. A cancelled test is neither a positive nor a negative test.

"Chain of custody" means the procedure used to document the handling of the urine specimen from the time the employee gives the specimen to the collector until the specimen is destroyed. This procedure uses the Federal Drug Testing Custody and Control Form (CCF).

"Collection container" means a container into which the employee urinates to provide the specimen for a drug test. Collection site. A place selected by the employer where employees present themselves for the purpose of providing a urine specimen for a drug test.

"Collector" A person who instructs and assists employees at a collection site, who receives and makes an initial inspection of the specimen provided by those employees, and who initiates and completes the CCF.

"Commerce" means: (1) Any trade, traffic or transportation within the jurisdiction of the United States between a place in a State and a place outside of such State,

including a place outside of the United States; and (2) Trade, traffic, and transportation in the United States which affects any trade, traffic, and transportation described in paragraph (1) of this definition.

"Commercial motor vehicle" means a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the vehicle-- (1) Has a gross combination weight rating of 11,794 or more kilograms (26,001 or more pounds) inclusive of a towed unit with a gross vehicle weight rating of more than 4,536 kilograms (10,000 pounds); or (2) Has a gross vehicle weight rating of 11,794 or more kilograms (26,001 or more pounds); or (3) Is designed to transport 16 or more passengers, including the driver; or (4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act (49 U.S.C. 5103(b)) and which require the motor vehicle to be placarded under the Hazardous Materials Regulations (49 CFR part 172, subpart F).

"Confirmation (or confirmatory) drug test" means a second analytical procedure performed on a urine specimen to identify and quantify the presence of a specific drug or drug metabolite.

"Confirmation (or confirmatory) validity test" means a second test performed on a urine specimen to further support a validity test result.

"Confirmed drug test" means a confirmation test result received by an MRO from a laboratory.

"Consortium/Third party administrator (C/TPA)" means a service agent that provides or coordinates one or more drug and/or alcohol testing services to DOT- regulated employers. C/TPAs typically provide or coordinate the provision of a number of such services and perform administrative tasks concerning the operation of the employers' drug and alcohol testing programs. This term includes, but is not limited to, groups of employers who join together to administer, as a single entity, the DOT drug and alcohol testing programs of its members (e.g., having a combined random testing pool). C/TPAs are not "employers" for purposes of this policy.

"Controlled substances" mean those substances to be tested including the following: (a) Marijuana metabolites. (b) Cocaine metabolites. (c) Amphetamines. (d) Opiate metabolites. (e) Phencyclidine (PCP).

"Designated employer representative (DER)" shall be the Technical Operations Manager (or his/her designee) who shall receive communications and test results from service agents and who is authorized to take immediate actions to remove employees from safety-sensitive duties and to make required decisions in the testing and evaluation processes.

"Dilute specimen" means a specimen with creatinine and specific gravity values that are lower than expected for human urine.

"Disabling damage" means damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs.

(1) Inclusions. Damage to motor vehicles that could have been driven but would have been further damaged if so driven. (2) Exclusions. (i) Damage which can be remedied temporarily at the scene of the accident without special tools or parts. (ii) Tire disablement without other damage even if no spare tire is available. (iii) Headlight or taillight damage. (iv) Damage to turn signals, horn, or windshield wipers which make them inoperative.

"DOT Agency" means an agency (or ``operating administration") of the United States Department of Transportation administering regulations requiring alcohol and/or drug testing (14 CFR parts 61, 63, 65, 121, and 135; 49 CFR parts 199, 219, 382, and 655), in accordance with 49 CFR part 40

"Driver" means any person who operates a commercial motor vehicle. This includes, but is not limited to: Full time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent owner-operator contractors.

"Drugs" mean the substances for which tests are required under this policy and include marijuana, cocaine, amphetamines, phencyclidine (PCP), and opiates.

"Evidential Breath Testing Device" (EBT). A device approved by NHTSA for the evidential testing of breath at the .02 and .04 alcohol concentrations, placed on NHTSA's Conforming Products List (CPL) for ``Evidential Breath Measurement Devices" and identified on the CPL as conforming with the model specifications available from NHTSA's Traffic Safety Program.

"HHS" means the Department of Health and Human Services or any designee of the Secretary, Department of Health and Human Services.

"Initial drug test" means the test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolites.

"Initial validity test" means the first test used to determine if a specimen is adulterated, diluted, or substituted.

"Invalid drug test" means the result of a drug test for a urine specimen that contains an unidentified adulterant or an unidentified interfering substance, has abnormal physical characteristics, or has an endogenous substance at an abnormal concentration that prevents the laboratory from completing or obtaining a valid drug test result.

"Laboratory" means any U.S. laboratory certified by HHS under the National Laboratory Certification Program as meeting the minimum standards of Subpart C of the HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs

"Licensed medical practitioner" means a person who is licensed, certified, and/or registered, in accordance with applicable Federal, State, local, or foreign laws and regulations, to prescribe controlled substances and other drugs.

"Medical Review Officer (MRO)" means a person who is a licensed physician and who is responsible for receiving and reviewing laboratory results generated by an

employer's drug testing program and evaluating medical explanations for certain drug test results.

"Performing (a safety-sensitive function) means" a driver of any vehicle or operator of any equipment and applies to any employee considered to be performing a safety-sensitive function during any period in which he or she is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

"Positive rate" applies only to federally regulated workers and means the number of positive results for random controlled substances tests conducted under this policy plus the number of refusals of random controlled substances tests required by this policy, divided by the total of random controlled substances tests conducted under this policy plus the number of refusals of random tests required by this policy.

"Primary specimen" in drug testing, means the urine specimen bottle that is opened and tested by a first laboratory to determine whether the employee has a drug or drug metabolite in his or her system; and for the purpose of validity testing. The primary specimen is distinguished from the split specimen, defined in this section.

"Refuse to submit" (to an alcohol or controlled substances test) means that an employee:

(1) Fails(ed) to appear for any test (except a pre-employment test) within a reasonable time, as determined by the employer, consistent with applicable DOT agency regulations, after being directed to do so by the employer. This includes the failure of an employee (including an owner-operator) to appear for a test when called by a C/TPA;

(2) Fails(ed) to remain at the testing site until the testing process is complete. Provided, that an employee who leaves the testing site before the testing process commences a pre-employment test is not deemed to have refused to test;

(3) Fails(ed) to provide a urine specimen for any drug test required by this policy or DOT agency regulations. Provided, that an employee who does not provide a urine specimen because he or she has left the testing site before the testing process commences for a pre-employment test is not deemed to have refused to test;

(4) In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of the employee's provision of a specimen;

(5) Fails(ed) to provide a sufficient amount of urine when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;

(6) Fails(ed) or declines to take a second test the employer or collector has directed the employee to take;

(7) Fails(ed) to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER. In the case of a pre-employment drug test, the employee is deemed to have refused to test on this basis only if the pre-employment test is conducted following a contingent offer of employment;

(8) Fails(ed) to cooperate with any part of the testing process (e.g., refuse to

empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process, or failing to complete all documents); or
(9) Is reported by the MRO as having a verified adulterated or substituted test result.

"Safety/Environmentally-sensitive function" ("S/ES") means all time from the time an employee begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. S/ES functions shall include:

- (1) All time at an employer plant, terminal, facility, or other property, or on any public property, unless the employee has been relieved from duty by the employer;
- (2) All time inspecting equipment as required by company procedure or federal rule or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time;
- (3) All time spent at the controls of any vehicle/equipment in operation;
- (4) All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth;
- (5) All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and
- (6) All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.

"Screening Test" (or initial test) means: (1) In drug testing, a test to eliminate "negative" urine specimens from further analysis or to identify a specimen that requires additional testing for the presence of drugs. (2) In alcohol testing, an analytical procedure to determine whether an employee may have a prohibited concentration of alcohol in a breath or saliva specimen.

"Screening Test Technician" (STT). A person who instructs and assists employees in the alcohol testing process and operates an ASD.

"Secretary" means the Secretary of Transportation or the Secretary's designee.

"Service agent" means any person or entity, other than an employee of the employer, who provides services specified under this. This includes, but is not limited to, collectors, BATs and STTs, laboratories, MROs, substance abuse professionals, and C/ TPAs. To act as service agents, persons and organizations must meet the qualifications set forth in applicable law. Service agents are not employers for purposes of this policy.

"Shipping container" means a container that is used for transporting and protecting urine specimen bottles and associated documents from the collection site to the laboratory.

"Specimen bottle" means the bottle that, after being sealed and labeled according to the procedures in this policy, is used to hold the urine specimen during transportation to the laboratory.

"Split specimen" in drug testing, means a part of the urine specimen that is sent to a first laboratory and retained unopened, and which is transported to a second laboratory in the event that the employee requests that it be tested following a verified positive test of the primary specimen or a verified adulterated or substituted test result.

"Stand-down" means the practice of temporarily removing an employee from the performance of safety-sensitive functions based only on a report from a laboratory to the MRO of a confirmed positive test for a drug or drug metabolite, an adulterated test, or a substituted test, before the MRO has completed verification of the test result.

"Substance Abuse Professional (SAP)" A person who evaluates employees who have violated this policy and makes recommendations concerning education, treatment, follow-up testing, and aftercare.

"Substituted specimen" A specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human urine. Verified test. A drug test result or validity testing result from an HHS-certified laboratory that has undergone review and final determination by the MRO.

"Violation rate" applies only to federally regulated workers and means the number of drivers found during random tests given under this policy to have an alcohol concentration of 0.04 or greater, plus the number of drivers who refuse a random test required by this policy, divided by the total reported number of drivers in the industry given random alcohol tests under this policy plus the total reported number of drivers in the industry who refuse a random test required by this policy

Test Events:

Pre-employment tests: No individual shall be allowed to serve in a safety-sensitive capacity until a verified negative test result. Before any individual performs any safety-sensitive duties the first time after being hired by the Company you must obtain that individual's written consent to contact any commercial employer where that individual worked during the previous two (2) years to obtain the following information:

- (1) Alcohol tests with a result of 0.04 or higher alcohol concentration;
- (2) Verified positive drug tests;
- (3) Refusals to be tested (including verified adulterated or substituted drug test results);
- (4) Other violations of DOT agency drug and alcohol testing regulations; and
- (5) With respect to any employee who violated a DOT drug and alcohol regulation, documentation of the employee's successful completion of DOT return-to-duty requirements (including follow-up tests). If the previous employer does not have information about the return-to-duty process (e.g., an employer who did not hire an employee who tested positive on a pre-employment test), you must seek to obtain this information from the employee.

If feasible, we must obtain and review this information before the employee first performs safety-sensitive functions. If this is not feasible, we must obtain and review the information as soon as possible. However, we must not permit the employee to perform safety-sensitive functions **after 30 days** from the date on which the employee first

performed safety-sensitive functions, unless we have obtained or made and documented a good faith effort to obtain this information.

If we obtain information that the employee has violated a DOT agency drug and alcohol regulation, we must not use the employee to perform safety-sensitive functions unless we also obtain information that the employee has subsequently complied with the return-to-duty requirements of this policy.

We must provide to each of the employers from whom you request information under paragraph (b) of this section written consent for the release of the information cited in paragraph (a) of this section.

The release of information under this section must be in any written form (e.g., fax, e-mail, and letter) that ensures confidentiality. As the previous employer, we must maintain a written record of the information released, including the date, the party to whom it was released, and a summary of the information provided.

When information is requested from us we must, after reviewing the employee's specific, written consent, immediately release the requested information to the employer making the inquiry.

As the employer requesting the information required under this section, we must maintain a written, confidential record of the information you obtain or of the good faith efforts you made to obtain the information. We must retain this information for three (3) years from the date of the employee's first performance of safety-sensitive duties for us.

As the employer, we must also ask the employee whether he or she has tested positive, or refused to test, on any pre-employment drug or alcohol test administered by an employer to which the employee applied for, but did not obtain, safety-sensitive transportation work covered by DOT agency drug and alcohol testing rules during the past two years. If the employee admits that he or she had a positive test or a refusal to test, we must not use the employee to perform safety-sensitive functions for us, until and unless the employee documents successful completion of the return-to-duty.

Post-accident tests: Any employee performing safety-sensitive commercial driver tasks who is involved in the following incidents shall undergo drug and alcohol testing:

(a) As soon as practicable following an accident involving a commercial motor vehicle operating on a public road in commerce, tests for the use of alcohol and drugs shall be required for:

(1) Any driver who was performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or

(2) Any driver who receives a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident, if the accident involved:

- (i) Bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
- (ii) One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

All required post-accident alcohol tests should be performed within two (2) hours following the accident and in all cases must be performed within eight (8) hours. If the test cannot be performed within 2 hours a note shall be maintained explaining why it could not be conducted. If the test cannot be performed within 8 hours there shall be no further attempt to conduct the test and a note shall be maintained in the driver's file.

If a test required by this section is not administered within 32 hours following the accident, the employer shall cease attempts to administer a controlled substances test, and prepare and maintain on file a record stating the reasons the test was not promptly administered. Records shall be submitted to any government agency upon request. A driver who is subject to post-accident testing shall remain readily available for such testing or may be deemed by the employer to have refused to submit to testing. Nothing in this section shall be construed to require the delay of necessary medical attention for injured people following an accident or to prohibit a driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care. The Company shall provide drivers with necessary post-accident information, procedures and instructions, prior to the driver operating a commercial motor vehicle, so that drivers will be able to comply with the requirements of this section.

Confidentiality of records:

In accordance with general company policy, all records related to drug and alcohol testing shall be maintained in a confidential manner and only disclosed with the written consent of the driver or in accordance with law.

ATTESTED _____
Secretary

Drug and Alcohol Free Workplace Policy Acknowledgement

By my signature below, I acknowledge that I have received a copy of and understand the ***Lane-Scott Electric Cooperative, Inc.*** Alcohol and Drug Free Workplace Policy. I have been given the opportunity to ask questions about all aspects of this policy and I agree to adhere to the policy requirements:

My signature below acknowledges my agreement to abide by the provisions of this policy and I recognize that any violation could lead to termination of my employment.

Printed Name

Date

Signature

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: January 11, 2021

Policy No: 525

Supersedes Date: September 26, 2005

SUBJECT: Whistleblower

I. OBJECTIVE:

To ensure that the Lane-Scott Electric Cooperative, Inc. maintains an effective, easy-to-use mechanism for employees to raise concerns regarding potentially unlawful, unsafe, or unethical behavior within the organization and that ensures protection against retaliation for the whistleblower.

II. POLICY:

It is Cooperative's policy that no retaliation shall occur against any employee who internally reports a concern about potentially unlawful or unethical conduct ("Whistleblower"). Each employee has an obligation to report in accordance with this Whistleblower Policy: (a) questionable or improper accounting or auditing practices, (b) suspected unlawful conduct, and (c) violations or suspected violations of Cooperative policy (collectively referred to as "Concerns" from this point forward).

A. No Retaliation

This policy is intended to encourage and enable employees to raise Concerns for prompt internal investigation and appropriate action. **No employee who in good faith reports a Concern shall be subject to retaliation in any form for making a report.** An employee who retaliates against someone who has made a good faith report about a Concern is subject of discipline up to and including termination of employment.

B. Reporting Concerns

1. In most cases, employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the Whistleblower continues to have reasonable grounds to believe the Concern is valid and/or the supervisor is not responsive, the Whistleblower should then report the Concern to the General Manager.

If the supervisor is a subject of the Concern, or if the Whistleblower is uncomfortable speaking with his or her supervisor for any reasons, the Whistleblower should report his or her Concern to the General Manager.

If the General Manager or a Trustee is the subject of the Concern, the Concern should be reported to the Cooperative Attorney.

2. Any member of the Board of Trustees, Cooperative member, vendor, supplier, or any third party may make a good faith report of a Concern to the General Manager or Cooperative's attorney. Reports should preferably be in writing and include all relevant information known, including names of Cooperative employees believed to be involved, dates, etc.

C. Handling of Reported Concerns

1. Investigation Procedure: All Concerns will be dealt with promptly and in a manner intended to protect confidentiality, consistent with the need to conduct a full and fair investigation.
 - a. Concerns Not Involving the General Manager: Following a preliminary assessment and investigation, if the General Manager believes the Concern warrants further investigation, and/or the suspected violation is not addressed in Board Policy, then Cooperative's attorney and the Board President shall be contacted. The results of any further investigation shall be reported to the Board, as appropriate.
 - b. Concerns Involving the General Manager: If the General Manager or a Board Trustee is the subject of Concern, the Cooperative Attorney shall conduct a preliminary assessment. If the preliminary assessment reveals that Concern warrants further investigation, then the Cooperative Attorney shall report the Concern directly to the Board President and prepare a preliminary report for the Board of Trustees. The Board President will then report to the full Board and engage the Cooperative Attorney to further investigate the Concern and report back to the Board on the results of the investigation for appropriate follow-up action and conclusion.
2. Follow-Up with Whistleblower. The Whistleblower may be informed of the progress and/or outcome of the investigation unless: (1) the Whistleblower indicates his or her preference not to be informed, (2) this would be detrimental to the Whistleblower, Cooperative or the investigation, or (3) there are other, sound reasons not to inform the Whistleblower. The individual responsible for investigating the Concern is also responsible for determining whether follow-up with the Whistleblower would be detrimental or whether other reasons exist not to inform the Whistleblower. The individual is also responsible for informing the Whistleblower if the Concern has been settled or closed.
3. Cooperation. All employees are required to cooperate in the investigation of Concerns, which may include steps such as personal interviews and requests for and review of documents. Employees must not discuss the investigation, including any interviewed or document requests, with anyone

unless specifically instructed that they may do so.

D. Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information provided in a reported Concern indicates a violation of law, accounting or audit standards, or Cooperative policy. The act of making allegations that prove to be unsubstantiated, or which are made maliciously, recklessly, or with knowledge of their falsity, will be viewed as a serious disciplinary offense.

E. Confidentiality and Access

Reports of Concerns, and any investigations regarding Concerns, shall be kept confidential to the extent possible and lawful, consistent with the need to conduct an adequate investigation.

Employees shall be given ready access to contact information for the Cooperative Attorney and General Manager.

III. Responsibility:

The General Manager shall ensure that this policy is implemented. It is with the responsibility of all trustees, officers, and employees to comply with this policy and report Concerns in accordance with this policy. The Board shall review this policy periodically.

ATTESTED: Paul Seeb, Jr. date 7/12/2021
Secretary

Seal

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: February 23, 2004

Policy No: 526

Supersedes Date: New Policy

SUBJECT: Smoking in Company Vehicles

OBJECTIVE:

To encourage and promote a healthy work environment and to keep our vehicles in better condition.

POLICY:

Lane-Scott Electric Cooperative, Inc. does not allow smoking in any company vehicles, or on company property.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: March 22, 2004

Policy No.: 527

Supersedes Dates: February 27, 2004

SUBJECT: Security of Protected Health Information

OBJECTIVE:

- A. To establish the policy of the Cooperative consistent with requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- B. To define, for administrative and legal purposes, the Cooperative's practices, rights, and responsibilities with regard to protected health information of employees, retirees, and their dependents.

POLICY:

- A. The Cooperative acknowledges its obligation to maintain certain confidential health information that is timely, accurate and complete for its intended purpose. Protected health information ("PHI") is individually identifiable health information that is transmitted or maintained electronically or in any other form or medium. Individually identifiable health information is information that is created or received by the Cooperative that relates to the past, present or future physical or mental health or condition of an individual, or the past, present or future payment for the provision of health care to an individual and identifies the individual or creates a reasonable basis to believe that the information would identify the individual.
- B. The Cooperative's Benefits Administrator shall serve as the Cooperative's "Privacy Officer" and "Information Security Manager" as those offices are defined and to which responsibilities are assigned for compliance under law. The incumbent of this staff position shall be the sole recipient and custodian of protected health information. Individuals who are the subjects of such information shall be responsible for causing health care providers, insurers, and other sources, to direct the minimum necessary medical information to this staff person for appropriate employer use and safekeeping.
- C. The Benefits Administrator shall maintain appropriate procedures and safeguards for maintenance of protected health information, and shall inform the data subjects (beneficiaries) about the intended uses of

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personal information and their opportunity to review and correct such information. No other employee shall have access to the protected health information except to the extent and for the duration of their need to obtain such information to carry out the processes and transactions that are dependent on that information.

- D. The Cooperative will not use, disclose or request Protected Health Information (PHI) without a participants' valid authorization.
- E. The Cooperative will use, disclose, or request only the minimum amount of PHI necessary in all situations.
- F. The Cooperative may disclose de-identified health information, which is health information that does not, or cannot, identify an individual.
- G. The Cooperative will not disclose PHI to a business associate and will not allow a business associate to disclose PHI on behalf of the Cooperative unless there is a written Business Associate Contract in effect.
- H. The Cooperative, will provide or acquire training for all employees who are authorized and responsible for safeguarding PHI. All employees with access to PHI will be trained on the HIPAA policies and procedures regarding PHI that the Cooperative has adopted.
- I. The Cooperative will keep the following records for six years from the date of creation or when the records were last in effect:
 - 1. Privacy policies and procedures.
 - 2. Authorizations and revocations.
 - 3. Training records.
 - 4. Designation of privacy officer.
 - 5. Complaints and related investigations and sanctions.
 - 6. Requests for restrictions on uses and disclosures.
 - 7. Uses and disclosures of PHI subject to an accounting.

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- J. The Cooperative will make every effort to minimize or correct any harm caused by the improper use or disclosure of PHI in violation of our policy. The privacy officer is responsible for enforcing the Cooperative mitigation.
- K. All participants in health plans sponsored by the Cooperative have the right to obtain and inspect copies of PHI that the Cooperative maintains on behalf of each participant. Such information includes information regarding enrollment, payments, claims adjudication, case or medical management records and any other records used in whole or in part by the Cooperative and which are used to make decisions about the individual. Requests for information should be specific and made in writing to the Privacy Officer.
- L. Participants in the Cooperative-sponsored health plans have the right to request that their PHI, or a designated record set which contains their PHI, be amended in certain circumstances. Requests for an amendment should be specific and made in writing to the Privacy Officer. The Cooperative will generally respond to such requests within 30 days.
- M. Participants in the Cooperative-sponsored Section 125 plans have the right to request a statement of all disclosures of their PHI in the six years prior to the request. Requests should be specific and made in writing to the Privacy Officer. The Cooperative will generally respond to such requests within 30 days.
- N. Participants in the Cooperative-sponsored health plans have the right to make complaints about the Cooperative's compliance with HIPAA policies and procedures. Complaints should be specific and made in writing to the Privacy Officer or the Executive Vice President. The Cooperative will generally respond to such complaints within 30 days.
- O. An employee of the Cooperative who knowingly violates this policy may be subject to termination. If an employee violates the policy accidentally, the employee may receive disciplinary action and may be required to attend HIPAA training designed to specifically avoid said violation in the future.

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RESPONSIBILITY:

- A. The Benefits Administrator shall exercise primary staff responsibility for administration of this policy.
- B. The General Manager shall be responsible for providing the resources and oversight for administrative compliance with the requirements of applicable laws and regulations and for enforcing this policy.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 27, 2007

Policy No.: 528

Supersedes Date:

SUBJECT: Communications

OBJECTIVE:

To reaffirm the cooperative's obligation to continually communicate with its member-owners about the plans, operation, activities and progress of their cooperative and to set forth the Board of Directors' support and expectations in all aspects of cooperative communications.

POLICY

It shall be the policy of Lane-Scott Electric Cooperative, Inc. to foster extensive communications programs, activities, publications, and reports that will inform and educate member-owners about the cooperative's plans, operations, programs, financial condition and activities in an ongoing commitment to attain the membership's understanding, acceptance, support and involvement in the cooperative business.

I EXPECTATIONS

The cooperative's Board of Directors shall commit appropriate resources and support for a broad cooperative communications plan that ensures:

- A. Quality and timely communications programs that are responsive to member-customer needs and concerns.
- B. Member-customer understanding and support of the cooperative and industry-related issues.
- C. The member-owners are regularly informed of the financial condition of their cooperative.
- D. Cooperative employees that are appropriately trained to ensure that each of them respect the value of the member-owner to the cooperative and to assure that they are equipped to respond to every member-owner's concern in a professional, consumer-focused and friendly manner.

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- E. Public understanding, acceptance and support for the cooperative's mission, goals, plans and programs ensure that the media is kept informed about the cooperative's goals, objectives, plans, programs and issues.
- F. Leadership and support for projects and activities dedicated to the betterment of the community and state, with particular emphasis on youth programs, rural and community development, and to secure favorable public opinion and understanding of such activities and programs.
- G. Cooperative needs and issues are communicated effectively to local, state and national officials in a concerted effort to secure their support of the cooperative and the member-owners and communities they serve.
- H. Support for effective communication programs developed by cooperative statewide, regional and national organizations and cooperative power suppliers and other affiliates in an effort to coordinate communications programs and avoid duplication of services and costs and ensures a united message on electric cooperative issues.
- I. Development of a crisis communications management plan for communicating openly and consistently to employees, consumers, media and other publics about any cooperative or other local or regional crisis or emergency that affects the cooperative and the member-owners.

II LIMITATIONS

Any communications on behalf of the cooperative on any matter or issue should, whenever possible, be approved by the General Manager or in their absence, an authorized spokesperson.

III COMPLIANCE AND IMPLEMENTATION

- A. The Board President shall ensure compliance with this policy
- B. The General Manager shall be responsible for overseeing the development, implementation, staffing and evaluation of the cooperatives communications plans to ensure its effectiveness.

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- A. It shall be the responsibility of the General Manager to designate a spokesperson to respond to all issues and inquiries on behalf of the cooperative before the media, public officials and the general public.

ATTESTED _____

Secretary

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: February 2, 2011

Policy No.: 529

Supersedes Date: August 27, 2007

SUBJECT: Crisis Communication

Status	Activity	Other Personnel or Resources
At first notice or prior to staff briefing about crisis event	Notify receptionist to inform any media that calls that the communications department is getting briefed on the crisis situation. They should take names, and phone and fax numbers of media contact (see crisis communication log), and we will call them back as soon as the briefing is over.	Office Manager & Receptionists
At first notice or as soon as possible	Receive briefing on event: Who? What? Where? When? Why? How? Impact on consumers and public? Safety issues? Actions taken? Is news conference needed?	Manager & Key Personnel
As soon as possible	Review damage to technology that will affect ability to communicate with media and consumers	Ass't Mgr. & Office Manager
	If news conference is needed, schedule within three hours	Manager
	Establish Key Messages	

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	Within first 30 minutes the first news release should be distributed to the electronic media & co-op distribution lists – plan to issue updates 2 times daily for the duration of the event. (Notify media of news conference at the same time, if applicable)	Manager & Key Personnel; other assistance to fax if e-mail is not available
Update As Needed	Establish Talking Points- Distribute to Manager, Staff, Key Personnel to distribute to employees- update as needed	Manager & Key Personnel
	Assist manager with employee briefing- be sure to remind employees of co-op procedure in case they are approached by the media	
	Plan news conference; provide (orally or in writing): <ul style="list-style-type: none"> ▪ General Organization Information ▪ Prepared Statement about Crisis ▪ Plans for updates to the media ▪ Field Questions ▪ Regular Updates via Website 	
Duration of Crisis	Conduct interviews with media, as required	
Duration of Crisis	Prepare updates for news releases	
Duration of Crisis	Distribute updates to media , employees and board members	

ATTESTED _____

**Lane-Scott Electric Cooperative, Inc.
Policy**

Dated: September 18, 2018

Policy No: 530

Supersedes: November 22, 2004

March 24, 2003

Subject: Scholarship

Purpose: To support development of effective leaders through educational opportunities. The Lane-Scott Electric Cooperative, Inc., scholarship will offer (2) two \$500.00 scholarships to high school seniors or college students. This will be awarded annually to the eligible applicants chosen.

Eligibility: Current seniors or high school graduates that plan to further their education. Each applicant must be enrolled as a full-time student in an accredited university or college, including junior, community, and vocational or technical college. All applicants for the Lane-Scott Electric Cooperative, Inc. scholarship shall be considered on the criteria without regard to race, age, color, religion, gender, national origin or existence of physical handicap.

Scholarship

Criteria: Scholarship merit is based on the following: Scholarship Achievement, Extra-Curricular Activities, Community and School. Preference will be given to someone in the Lane-Scott Electric Cooperative, Inc. service territory.

To Apply: Students wishing to make applications should contact Lane-Scott Electric Cooperative, Inc. office. Completed applications must be postmarked and/or returned to Lane-Scott Electric Cooperative, Inc. by April 15 of the current year.

Mail applications to:

Scholarship Committee
Lane-Scott Electric Cooperative, Inc.
P.O. Box 758
Dighton, Kansas 67839

Questions about the scholarship program should be directed to Lane-Scott Electric Cooperative, Inc. General Manager, at 620-397-5327.

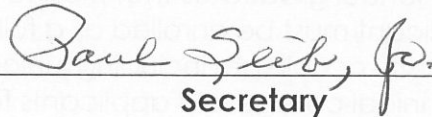
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Selection

Procedure: The scholarship committee consisting, at a minimum of, the General Manager and Member Services staff of Lane-Scott Electric Cooperative, Inc., will make the selection. Applicants must be willing to be interviewed by the committee, if necessary.

Payment: The scholarship recipients shall notify Lane-Scott Electric Cooperative, Inc., in writing of their college enrollment. The Cooperative will then pay the institution. Should the recipient withdraw from college, payment of the scholarship monies shall cease, and reimbursement of unused monies shall be made to Lane-Scott Electric Cooperative, Inc.

ATTESTED:


Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: November 3, 2008

Policy No.: 531

Supersedes Date: New Policy

SUBJECT: Code of Ethics

POLICY:

Our Values

- ❖ **Integrity and Accountability:** The cooperative strives to deliver on its promises, and when mistakes happen, the board takes responsibility and tries to fix those mistakes.
- ❖ **Safety:** Public and employee safety are paramount.
- ❖ **Member Focus and Customer Service:** The cooperative exists only to meet the needs of its member consumers and recognizes that member trust is essential and earned every day. Members will be treated respectfully and fairly at all times.
- ❖ **Corporate Citizenship:** The cooperative seeks to assist local communities and improve the quality of life.
- ❖ **Fairness:** The cooperative will always seek to use fair and open procedures and communications when working with members, vendors, and others.

Introduction

Since its incorporation in 1946 the employees and trustees of Lane-Scott Electric Cooperative, Inc. have had a consistent history of fair, honest, and ethical conduct for all activities conducted on behalf of the cooperative or in the community. This Code of Ethics is intended to be a constant reminder of that tradition, and a statement of how we will continue to conduct ourselves on a daily basis. It identifies our values and the procedures that will be followed to ensure that these values are upheld. All employees and trustees are expected to know and understand the standards and expectations that are expressed.

The Code of Conduct is not exhaustive. It provides guidance to employees and trustees in how they are expected to carry out their duties. Because the Code cannot address every possible situation, employees and trustees are expected to use good judgment and to raise questions when in doubt. Employees should seek guidance from their supervisor or manager if they feel that any situation is not fully and clearly covered by the Code. Trustees

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are expected to consult with the President of the Board or the cooperative attorney if in doubt about the standards that apply in any situation.

The Board and Management of Lane-Scott Electric Cooperative, Inc. believe that ethical standards are achieved, not just through the publication and dissemination of this document, but through open and ongoing discussion about ethical issues related to the business and activities of the Cooperative. Further, this open-door climate is achieved only when employees and trustees understand that they can openly raise questions and concerns without fear of retaliation.

Standards of Conduct

Employees and trustees are expected to uphold the values of the cooperative and are required to report any situation where the individual reasonably suspects that any activity may be in violation of the law, board policies on standards of conduct, or this Code.

Standards of conduct include:

- ❖ Employees and trustees are expected to deal honestly and fairly with consumers, suppliers, and others having dealings with the Cooperative.
- ❖ Employees and trustees are prohibited from offering bribes, kickbacks, or other forms of improper payment, direct or indirect, to any representative of government, labor union, customer, or supplier to obtain a contract or other commercial benefit or government action.
- ❖ Trustees and employees are prohibited from giving or receiving bribes, kickbacks, or improper payment from anyone. They are prohibited from receiving gifts or favors of more than nominal value from consumers or suppliers. If in doubt, the party is expected to ask if the proposed gift or favor is of more than "nominal value."
- ❖ Trustees or employees are expected to limit their reimbursable expenses to those that are necessary, prudent, and business-related.
- ❖ Employees and trustees are prohibited from taking unfair advantage of consumers, suppliers, or other third parties through manipulation, concealment, abuse of privileged information, or any other unfair-dealing practice.

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Conflicts of Interest

A conflict of interest exists when any trustee or employee is called upon to make or is involved in any decision where the employee or trustee (or any friend or relative of the employee or trustee) has any interest that would be affected by that decision.

- ❖ Employees and trustees must not seek any personal benefit through any arrangement with vendors, suppliers, or other parties that have a business relationship with the cooperative.
- ❖ In any situation where it may be reasonably perceived that there is a conflict of interest, the employee or trustee is required to report that potential conflict of interest to the supervisor (or President of the Board).
- ❖ Employee or trustees may not have a financial interest, such as significant stock ownership, in any entity with which the cooperative does business that might create or give the appearance of a conflict of interest.
- ❖ In addition to these general standards on conflicts of interests, trustees shall follow the board policy on dealing with potential conflicts of interest.

Confidentiality of Information

Trustees and employees are frequently entrusted with confidential information. This may include technical or financial information about current or future projects, business plans, personnel information, consumer lists, and other information that, if disclosed, might be of use to competitors or potentially harmful to suppliers, consumers, or employees. This information is the property of Lane-Scott Electric Cooperative, Inc.

Trustees and employees shall:

- ❖ Not discuss confidential information with or in the presence of unauthorized persons, including family members and friends.
- ❖ Use confidential information only for the company's legitimate business purposes and not for personal gain.
- ❖ Not disclose confidential information to third parties unless such disclosure is necessary for business purposes, or is otherwise required and that appropriate safeguards are put in place.
- ❖ Not use company information or other property or resources for any personal gain or for the gain of anyone else.

Member Communications

Members own the cooperative in communicating with members, Lane-Scott Electric Cooperative, Inc. shall:

- ❖ Provide all information to which consumers have a legitimate right.
- ❖ Provide information that is accurate and understandable.
- ❖ Not make false or misleading statements.

Financial Reporting and Record-keeping

Lane-Scott Electric Cooperative, Inc. shall:

- ❖ Follow generally accepted accounting principles.
- ❖ Maintain a system of internal accounting controls that will provide reasonable assurances that all transactions are properly recorded and that material information is available to management when required.
- ❖ Maintain books and records that accurately and fairly reflect the company's financial health.
- ❖ Maintain a system that ensures company records and documents are properly retained and secured.
- ❖ Conduct an annual financial audit to provide an independent, objective review of financial reports, and to identify any risks associated with the system of internal controls.
- ❖ Prepare information in a clear and orderly manner and use, to the extent possible, "plain English" in financial reports.

Legal and Regulatory Compliance

Lane-Scott Electric Cooperative, Inc. will comply with all local, state, and federal laws, rules, and regulations applicable to the activities of the company. It will maintain a safe and healthy work environment free from harassment or discrimination.

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Reporting of Violations

Every employee and trustee is responsible for ensuring that violations of laws, rules, regulations, or this Code are reported and addressed promptly. Reports of suspected violations may be made in person or in writing, confidentially or anonymously, to the responsible designated person (e.g., to the immediate supervisor, General Manager, or the President of the Board). All such reports will be promptly investigated and appropriate corrective action will be taken. Any employee or trustee who makes a report in good faith and based on a reasonable belief may do so without fear of harassment, retaliation or retribution, in accordance with the cooperative's whistle-blower policy.

Employee and Director Education

All employees and trustees will receive a copy of the Code of Ethics and will receive training and periodic communications to ensure familiarity with its contents and requirements. On a periodic basis, all employees and trustees shall be presented with updates on potential ethical challenges and industry trends that may relate to ethical behavior.

Monitoring and Enforcement

Every employee and trustee is responsible for monitoring compliance with the Code by reporting suspected violations in a timely manner (as discussed above) and cooperating with investigations of suspected violations. Trustees, officers, and employees who violate any laws, rules, regulations, or the Code may face appropriate, case-specific disciplinary action, which may include demotion, discharge, or sanction (by the board).

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: May 4, 2009

Policy No.: 532

Subject: Arc Flash Rated Protective Clothing

Purpose:

To establish a policy and procedure, to include a program for the initial and ongoing purchase, replacement and use of Arc Flash Rated Protective Clothing, pursuant to Rule 410A3 of the National Electric Safety Code (NESC) and any current or future applicable OSHA regulations, and to ensure that all applicable rules or regulations are followed to provide maximum safety for the employees, contractors and vendors of Lane-Scott Electric Cooperative, Inc.

Content:

The Board of Trustees shall review and authorize funding for the following policy governing the purchase and required use of Arc Flash Rated Protective Clothing.

- A. As required by NESC Rule 410A3, the Cooperative shall perform an Arc Hazard Assessment in order to establish the level of protection that is required throughout the Lane-Scott electrical system.
 - 1. This assessment shall be used to ensure that the proper level of protection is provided to the employees, contractors, and vendors who work on or near energized parts or equipment and are potentially exposed to an electric arc.
 - 2. In areas found to have an unacceptable level of hazard, steps shall be taken to mitigate the hazard through the required use, or combination of, additional personal protective equipment, safe work practices, electrical equipment upgrades or other reasonable means.
- B. The Cooperative shall provide adequate quantities of approved Arc Flash Rated Clothing to all employees that are or may be exposed to electrical arcs while performing their required job duties.
 - 1. The provided Arc Flash Rated Clothing shall have a minimum arc thermal performance value (ATPV) rating of 8 calories per CM sq, unless a task or site specific Arc Hazard Assessment warrants a higher calorie level of protection, which may be achieved through layering or wearing task-specific Arc Flash Rated Clothing.
 - 2. A procedure administering the program for the initial purchase and annual Arc Flash Rated Clothing allowance to replace items that are no longer in serviceable condition shall be established by Management.

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- a) The provided Arc Flash Rated Clothing should include, but not be limited to pants, long sleeve shirts, cold weather outerwear, rain gear and reflective traffic vests.
- C. The employee that may be exposed to electrical arcs while performing their regularly scheduled job duties shall be required to wear Arc Flash Rated Clothing, as described in Section B, as the outer most layer of clothing at all times while on duty. Employees, vendors, or utility guests, who are not regularly exposed to electrical arcs and do not normally wear Arc Flash Rated Clothing, but enter work areas where Arc Flash Rated Clothing is required, shall be issued or have ready access to and be required to wear an Arc Flash Rated garment equal to a minimum ATPV rating of 8 calories per CM sq, unless a task or site specific Arc Hazard Assessment warrants a higher calorie level of protection.
1. Only natural fibers or non-melting items may be worn as under garments.
 2. The employee shall only wear items that are in good serviceable condition. Items with holes or that are frayed must be repaired properly or be removed from service. The Cooperative shall provide suitable materials for the repair of the Arc Flash Rated Clothing.
- D. If within one (1) year of employment or receiving their annual allowance of Arc Flash Rated Clothing, should the employee terminate employment, then an amount equivalent to the cost of the Arc Flash Rated Clothing provided will be withheld from the employee's final paycheck. Employees who terminate after the one (1) year period will not be required to reimburse the Cooperative.

Responsibility:

The Chief Executive Officer, with the assistance of all Department Heads and Supervisors, is assigned the overall responsibility for the implementation and administration of this policy and program.

ATTESTED: _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: January 01, 2021
Supersedes: January 9, 2012

Policy No. 533

SUBJECT: Cellular Phones

I. OBJECTIVE: To establish guidelines for the safe and acceptable use of cellular phones in the workplace.

II. PROCEDURE:

A. Cooperative Provided Cellular Phones

1. Where job or business needs demand immediate access to an employee, the company may issue a cellular phone for work-related communications at the company's discretion.
2. LSEC will provide a cellular phone plan appropriate for normal work-related requirements. These minutes are intended to be used for company business. However, LSEC recognizes that employees will occasionally use their cell phone for personal use. Employees will pay a flat monthly rate for normal personal use.
3. Employees who are provided with a cellular phone are expected to protect the equipment from loss, damage, or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. Employees unable to present the phone in good working condition within the requested time (i.e. 24 hours) will be expected to bear the cost of a replacement.
4. Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss including recovery of costs from their final pay check.
5. Issued cellular phones are the property of LSEC. All data, usage information, records and contents of the phone, along with the physical phone are the property of LSEC and subject to review by LSEC. Any private usage and information contained on the phone shall be subject to disclosure to LSEC.

B. Reimbursement for Personal Cellular Phone Usage

- C. When job demands require a company cellular phone, and at the request of the employee, the General Manager may authorize LSEC to reimburse the employee a flat monthly rate for cellular phone expenses. Monthly rates will be determined annually by the General Manager and set in Operating Procedure.

D. Personal Cellular Phones

1. While at work, employees are expected to exercise discretion in the use of personal cellular phones. Excessive personal calls during the workday can interfere with employee productivity and be distracting to others. The frequency and length of personal calls should be kept to a minimum. Employees are therefore asked to make personal calls during non-work time when possible, and to ensure that friends and family members are aware of this procedure. Flexibility will be provided in circumstances demanding immediate attention.
2. LSEC will not be liable for the loss or destruction of personal cellular phones brought into the workplace.
3. Employees shall not access social media accounts during the workday unless it is for cooperative business.

E. CyberSecurity.

CyberSecurity Standards as determined by LSEC IT and approved by the General Manager will be followed by any employee desiring to access the Cooperatives' internal computing systems.

Company software will not be installed on personal phones without the prior written approval of the General Manager. Likewise, personal software will not be installed on Cooperative phones without written approval of the General Manager.

F. Safety Issues for Cellular Phone Use

1. Employees are required to follow Federal DOT Regulations regarding cellular phone use and are neither required nor expected to use a cellular phone while driving and are prohibited from cellular phone usage where prohibited by Federal DOT Regulations.

2. Employees who use a cellular phone for business use while driving are expected to act with safety as top priority. Safety must come before any other concerns. Employees shall comply with all traffic laws and regulations regarding cellular phone usage while driving.
3. Hands-free equipment will be provided upon request to all employees whose job functions require regular driving.
4. Employees who are charged with traffic violations or subjected to personal liability resulting from the use of a cellular phone while driving are solely responsible for all liabilities that result from such actions.

G. Appropriate Use Guidelines

Employees using cellular phones should be considerate of others and follow appropriate etiquette guidelines in their cell phone usage. Use of company-provided cellular phones for the purpose of engaging in any type of harassment or obscenity, or for any unlawful or unethical purpose is strictly prohibited. This policy also applies to personal cellular phones used by employees on company premises or during work hours.

III. RESPONSIBILITY:

Management staff is expected to serve as role models for proper compliance with the provisions of this Policy. Supervisors are encouraged to regularly remind employees of their responsibilities in connection with this Policy and to occasionally review cellular phone bills to ensure compliance with this procedure. Violations of this policy or illegal use of company-provided cellular phones will be subject to discipline up to and including termination.

ATTESTED: Paul Seib, Jr. date 12/7/2020
Secretary

Seal

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 9, 2013

Policy No.: 534

Supersedes Date:

SUBJECT: Company Credit Card Use Policy

POLICY: Lane-Scott Electric, Cooperative Issued Cred Cards

Lane-Scott Electric, Cooperative will issue company credit cards to certain employees for use in their jobs; this policy sets out the acceptable and unacceptable uses of such credit cards. Use of company-issued credit cards is a privilege, which the Cooperative may withdraw in the event of serious or repeated abuse.

Acceptable Uses:

Any credit card the Cooperative issues to an employee must be used for business purposes only, in conjunction with the employee's job duties. The Cooperative will not regard expenses for business-related use, such as lodging and meals while on company-approved business trips, as personal purchases, as long as such expenses are consistent with business related use.

Unacceptable Uses:

Employees with such credit cards shall not use them for cash advances or any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties.

Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the Cooperative) with their own funds or personal credit cards.

A violation of this policy by misuse of the company credit cards will result in disciplinary action at the discretion of the General Manager or Board of Trustees.

A minimum disciplinary action shall be as follows:

1. If an employee uses a Cooperative credit card for any other type of unauthorized transaction in violation of this policy, i.e., incurs financial liability on the Cooperative's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases. The cost of such purchase(s) or transaction(s) will be

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the financial responsibility of that employee and the employee will be expected to reimburse the Cooperative via deductions from pay or by cash or personal check payment.

2. If an employee chooses to reimburse the Cooperative via payroll deductions: the amount of the unauthorized purchases will be recovered in full, from the employee's next paycheck; any balance remaining will be deducted in full, from subsequent paychecks until the wage advance is fully repaid. Such deductions may take the employee's pay below minimum wage for the pay period(s) in question.

Repeated or gross violations of this policy shall result in more severe disciplinary action at the discretion of the General Manager or Board of Trustees and may be basis for termination of employment.

Each card will be limited to a maximum set by the Manager, who will determine the limit on a basis of need and departmental budget

Theft, loss, or damage to the company-issued credit card must be reported immediately to the General Manager.

It is the responsibility of the employee to return the credit card to the General Manager upon demand, termination of employment, or before an extended absence from work.

Meal receipts will be annotated to reflect required IRS documentation to include the names of the persons eating the meal and the reason for the meal

Credit card receipts will be submitted to the accounting department within 10 days following the issuance of the monthly credit card statement by the credit card grantor.

ATTESTED: _____
Secretary