



North Runnels Hospital District

Non-Exempt & Exempt Team Member Handbook

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Welcome Statement

Dear new Team Member,

Welcome to the team! It's an exciting time for North Runnels Hospital District (NRHD). As we continue to grow, we strive to remain as adaptable, motivated, and responsive to our new Team Members as we are to our customers. We are glad to have you join our fantastic team of healthcare providers we believe that we are the premiere small hospital in the region and strive every day to keep that distinction by combining our staff of expertise in their respective fields with compassionate care.

Here at NRHD, there is a profound sense of responsibility within the organizational culture to eliminate Patient/Resident risk factors, provide a safe Patient/Resident environment, prevent adverse events, meet time constraints, and manage protected health information all while facing dramatic change in health care reform, new technology, economic issues, and cultural diversity. However, that profound sense of responsibility cannot end here.

I'd like to give you an idea of what you can expect and what we hope to achieve. The collective leadership philosophy at NRHD maintains a commitment to quality patient/Resident care and an unwavering dedication to Patient/Resident safety, while incorporating ethical values like beneficence, justice, and autonomy, which sets the standard that guides Team Member decision-making in this fast advancing, ever-changing health care environment.

We pride ourselves on rising to the challenge and growing pressure of meeting the needs of our healthcare consumers more efficiently and effectively than ever before. The modern day healthcare consumer is becoming better equipped with knowledge and awareness about their health problems, treatment options, provider options, treatment alternatives, and even the different hospital options and services that are available to meet their particular needs. As NRHD strives to meet these growing Patient/Resident, family, community, and consumer demands, we must do so in a very socially responsible manner that maintains organizational viability. Hospital leadership believes that our Patients/Residents and customers deserve the very best holistic healthcare possible, and should always be treated with dignity, genuineness, and respect. Therefore, customer service and customer-focus is at the heart of all that we do.

We're continuously transforming the way we operate to consistently improve our ability to meet consumer, Patient/Resident, and community needs. Our leadership and Team Members have continued to meet the challenges we face and to excel despite setbacks. We are very proud of where we are today and excited about where we are headed. The world of healthcare is an exciting area in which to work, and we'll continue working to ensure our organization remains on the cutting edge.

Before I finish, I'd just like you to know that you, as part of our team, are our most important and greatest asset. We could not accomplish what we do every day without our Team Members. I'm very pleased to welcome you to NRHD and look forward to working with you! I'm glad to have you on board!

North Runnels Hospital District

About Your District

North Runnels Hospital District is located in Winters Texas and was founded in December 1972. North Runnels Hospital District is fully accredited 12 bed critical access hospital serving all of Runnels County and the surrounding areas. North Runnels Hospital District offers a 3 bed full service Emergency Department, along with a variety of Inpatient and Outpatient services. Some of the services offered are: Ultra Sound, CT, Lab, X-Ray, Respiratory Therapy, Physical Therapy, Occupational Therapy, Wound Care Services, Medicare Swing Bed Program, EMS and Home Health. North Runnels Hospital District is comprised of the Hospital, Rural Health Clinic, Home Health, EMS, Long Term Care facility (Winters Health Care & Rehabilitation), and Therapy Department. We have a highly qualified, dedicated, caring team of Providers and Health Care Professionals that are always here and are willing to help to meet the needs of our Patients and Residents. We are a Small Hospital District with a BIG HEART.

Mission Statement

The mission of North Runnels Hospital District is to strengthen the health of our community by exceeding the expectations of those we serve while providing quality health care services using sound fiscal management and prudence.

Vision Statement

Through our partnerships with local and regional providers, North Runnels Hospital District will combine emerging technologies with compassionate, patient-centric care to be recognized as the trusted provider of choice for rural health care and wellness in the communities we serve.

Values

Quality – ensuring our methods and outcomes are consistent with current professional knowledge and are applied effectively throughout the organization.

Integrity - holding ourselves, and each other, accountable for the consistency, honesty, and truthfulness of our actions.

Compassion - demonstrating kindness, caring, and willingness to help those who require our assistance at their time of need.

Teamwork – working together towards a common goal while directing individual accomplishments toward organizational objectives.

Team Member Handbook

Purpose of this Handbook:

The handbook is designed to acquaint you with North Runnels Hospital District and to provide information about working condition, benefits, policies, and some practices affecting your employment with us. It describes many Team Member responsibilities and District practices, and also outlines programs developed for your benefit. This handbook and all other written District policies and procedures are not intended to create any contractual obligations or legal rights and accordingly should not be considered as such. Nothing in the handbook should be relied upon as a guarantee for certain privileges, working condition, or continued employment. The handbook does establish rules and requirements that govern the Team Member relationship.

This handbook applies to all exempt, non-exempt hourly Team Members, including those who are considered full time, Part-Time, PRN, and temporary Team Members.

Handbook Contents and Revisions:

This handbook is provided as a description of generally accepted guidelines and common practices. Because it is not possible for us to foresee all situations that might arise, we reserve the right to deviate from the guidelines and practices outlined in this handbook if, in our sole judgment, such deviation is warranted based on the facts of a particular situation.

No Team Member handbook can anticipate every circumstance or question. Accordingly, we may need to change the practices and guidelines described in this handbook. We reserve the right to do so at our sole discretion. Revisions may include changing, rescinding, or adding to any procedures, benefits, or practices described in this handbook. Revisions may be made without prior notice to Team Members. The District will make reasonable efforts to communicate any change in its policies, but expects Team Members to keep informed of current policies. You will be notified via your supervisor of changes, revisions and updates to the handbook. It is your responsibility to read and understand any changes to the handbook. Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Official Plan Documents. These Plan Documents are always controlling over any statement made in this handbook or by any member of management. If other verbal or written communications issued prior to or subsequent to the distribution of this handbook appear to change any of this handbook's contents, the guidelines set forth in his handbook will be considered the official position/practice of the District until such time that a written revision of handbook contents is issued. Changes in our procedures, policies, benefits or practices will not change our mutual "At-Will" relationship, except by a written agreement that has been drawn up specifically for that purpose which is signed by you and the CEO/ Director of Human Resources.

Your Responsibility Regarding This Handbook:

Team Members are expected to read, understand, and comply with the guidelines set forth in this handbook. This handbook is the property of North Runnels Hospital District and should not be provided to individuals who are not our Team Members. Upon termination of employment and before your departure, you must return this handbook and all other District property to Human Resources or your supervisor. The District wants to assist Team Members in furthering their understanding of what is expected from their employment relationship. If a Team Member has any questions, they should contact a supervisor or Human Resources for assistance.

Bulletin Board

You can find important information about the District and your employment posted on the bulletin board located at break rooms and hallways. This is also the place where we post important information regarding your legal rights, including information about equal employment opportunity laws and wage and hour laws. We expect all Team Members to read the information on the bulletin board periodically. If you would like to communicate information to your coworkers, consider using the District bulletin board. To post something, you must first submit it to Human Resources for approval. Team Member notices may remain on the bulletin board for a maximum of 30 days. After that period, they will be removed and a new request can be made.

Compliance and Ethics Program

North Runnels Hospital District is committed to fulfilling its mission to compliance with all applicable laws, government regulations, third party payer requirements, and internal policies. It is our goal to serve our Patients/Residents, physicians, Team Members, and contractors in an ethical and legal manner. To ensure that we meet this goal, NRHD has implemented a Compliance and Ethics Program/Code of Conduct. Outlined in the NRHD Team Member Handbook is a formal Complaint Resolution Procedure. This is one avenue in voicing or reporting any complaint. However, NRHD is aware that there are times when questions and problems cannot be addressed through the normal communication and reporting process. Because of this, NRHD has also created a Compliance Communication and Reporting Process as another option for Team Members and others involved with NRHD to voice concerns or report possible compliance issues. By having several open lines of communication and reporting processes in place, NRHD demonstrates a commitment to compliance. Individuals affiliated with NRHD may make their concerns known through one of these avenues. The Compliance Officer can be reached the following ways:

- Telephone: (325) 754-4553
- Mail: P.O. Box 185, Winters, TX 79567
- In person: 7821 Hwy 153, Winters, TX 79567

Employment At-Will

Each Team Member is employed on an "At-Will" basis unless the Team Member has a written contract for that express purpose, which is signed by both the Team Member and the CEO of the District. You have voluntarily entered into your employment relationship with North Runnels Hospital District, and accordingly you and the Hospital District are free to end the employment relationship at any time, with or without cause or reason, with or without prior notice. This mutual relationship is, and always will be, strictly voluntary and at-will on both sides. Nothing in this handbook or in any other document issued by the District or its representative(s) will alter this at-will relationship.

You should not rely on verbal comments made by anyone in the District as a guarantee for specific privileges, working conditions, future employment, or compensation. NRHD's at-will relationship may only be changed by written contract for that express purpose signed by the CEO of the District.

Equal Opportunity

All Team Members of North Runnels Hospital District should be treated with respect, dignity and fairness. It is important that everyone at North Runnels Hospital District understands the District's commitment to these principles. The District is an Equal Opportunity Employer. The District will not discriminate against any person in hiring, termination, discipline or other terms and conditions of employment based upon race, color, sex, national origin, age, disability, marital status, veteran status, genetic information or other protected characteristic under applicable law. Any person who believes they have been discriminated against or treated unfairly in any manner is encouraged to contact the Human Resource Department or supervisor as soon as possible for information and assistance.

Disability Accommodation:

North Runnels Hospital District is committed to providing equal employment opportunities to qualified individuals with disabilities. This commitment may include providing reasonable accommodations where appropriate. It is your responsibility to notify your supervisor of the need for accommodation where appropriate. Upon doing so, your supervisor may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals.

Religious Accommodation:

Requests for time off or other accommodations for bona fide religious observances will be considered on case-by-case basis. So that we can reasonably

accommodate your request, you must notify your supervisor or Human Resources of your request to take time off to observe a religious holiday or day of worship at least 30 days before the date of your proposed time off. If vacation hours/days are available, you will be required to utilize them for observance of such holidays, otherwise, such time off is without pay.

District Hiring Practices

Conditional Employment Offers:

Conditional offers of employment are extended to salaried Team Members in writing through the Human Resources Department. Offers to hourly paid Team Members may or may not be made in writing through the Human Resources Department.

Recruitment:

The immediate filling of any vacant position is generally imperative to ensure that the quality to our Patients/Residents is well served. As a result, our practice is to recruit both within and outside the District when possible. Team Members desiring new opportunities within the District or who wish to be considered for future transfer to a new position should contact their supervisor and Human Resources.

The Human Resource Department will coordinate all recruitment efforts to ensure selection of the most qualified and best suited candidates for all positions based upon the corresponding job description. Before any employment offer is extended, the Administrator/CEO, or designee, must interview the candidate, examine his or her qualifications to determine that the candidate possesses at least the minimum qualifications for the position and any appropriate licensure or certification required, also must verify references. All selected candidates must be approved by the Administrator/CEO prior to hire.

Probationary Period:

New Team Members of North Runnels Hospital District and Team Members who have received a transfer or promotion to a new position are considered to be in a probationary status for the first ninety (90) days in their new position. During this period, if it seems to be in the best interest of the Team Member or employer to terminate the employment agreement, either party may do so.

At the end of the ninety (90) day probationary period, a formal performance appraisal will be completed and presented by your supervisor.

Employment of Relatives and Cohabitants:

Relatives and cohabitants working together may lead to claims of favoritism by other Team Members or domestic issues may lead to unnecessary tension in the workplace. The District requires full disclosure of any relationship as defined below to Human Resources at the time of employment, or at any time that is occurs in the course of employment. To ensure smooth operations, Team Members who are related or living together, should not, without the written approval of Human Resources:

- Direct or control the work of the other;
- Report to the other, or;
- Have any review or sign-off relationship with the other.

Relatives are defined as spouse, son, daughter, aunt, uncle, daughter-in-law, son-in-law sister-in-law, brother-in-law, grandmother, or grandfather.

Although we may consider hiring individuals related to or cohabiting with District Team Members, they will only be eligible for hire into positions where they do not have a reporting relationships as defined above.

If, during the course of employment, a relationship develops that would violate this policy, the District will work with the individuals to resolve the situation. In all cases, the needs of the District will come first.

In all cases where there is no reporting relationship, but relatives or cohabitants' working together creates conflict or other disruptions to normal operations, the District reserves the right to reassign, transfer, or terminate such Team Members as it deems necessary.

Team Members may not seek to influence the hiring, transfer, promotion or discipline of a relative or cohabitant in any way, including inquiries about such actions. If the infraction involves interference in the hiring of a relative or cohabitant, the Team Member's relative or cohabitant will not be considered for employment.

Reemployment:

Team Members who resign form North Runnels Hospital District in good standing may be considered for reemployment. Team Members who leave the District in less than good standing, or are terminated will be evaluated by the Administrator/CEO to determine their eligibility for employment.

Job Duties and Work Assignments

Our environment is to always put the Patient/Resident first. We will provide the highest quality of medical care and will always perform in the most compassionate, honest, efficient and effective manner. Every Team Member of North Runnels Hospital District will project a positive and caring attitude in the performance of duties. Cooperation between departments, co-workers, Patients, Residents, Physicians and visitors is vital. Constant promotion of guest relations within the District is necessary in meeting our high standard of care. Mutual understanding is important to doing a quality job; cooperative attitudes lead to productive teamwork. Everyone is encouraged to ask questions and offer ideas, which you feel contribute to our goal of being the best in our industry.

Responsibility for assigning duties to a Team Member rests with the supervisor or Department Manager and the Team Member is expected to carry out assignments in a cooperative and helpful manner. Work assignments may not be changed without prior approval and the District reserves the right to change a Team Member's job duties as necessary. Suggestions for improvement in the methods of work are always welcome and should be made by the Team Member to the immediate supervisor or Department Manager.

Performance Evaluation

We encourage you and your supervisor to discuss job performance and goals on an informal, day-to-day basis. In addition, you and your supervisor will periodically have formal performance evaluations to discuss your work and goals, to identify and correct weaknesses, and to encourage and recognize your strengths.

Job performance evaluations will generally be given to each Team Member at:

- The end of the first 90 days of employment;
- Every Anniversary date
- At job transfers or status changes at 90 days
- As requested by administration

On or about your scheduled evaluation date, the Supervisor may schedule a meeting to review the contents of the evaluation. The fact that a Team Member has not received an evaluation does not mean that the Team Member's performance is satisfactory. A Team Member may request an evaluation if one has not been given.

Work Hours

General office administration hours are 8:00 a.m. to 5:00 p.m., Monday through Friday.

Work hours will be established by each department's management as needed to meet the District and Patient/Resident needs. The District reserves the right to make changes in work schedules to meet the needs of the District Operations. Team Members are responsible for being at the assigned location and ready for work at the scheduled time.

The Official Work Week:

The work week begins at Midnight (12:00 a.m.) Sunday and runs through midnight of the following Saturday. Hours worked include all time spent working on District business (either at our facility or at a patients site).

The Official Work Day:

Begins at Midnight (12:00 a.m.) and runs until midnight of the same day.

Shifts:

Many District departments operate 24 hours a day, seven days a week, and utilize shift scheduling to accommodate Patient, Resident and organizational needs. For departments that operate by assigning shifts, the Supervisor in your department will have a shift schedule available.

Meal Periods:

Team Members are allowed, if possible, a thirty (30) minute unpaid meal break for each eight (8) hour shift worked. A non-exempt Team Member who was not able to take their full lunch period because of work will be paid for the entire lunch break. A non-exempt Team Member who is not able to work their full lunch period should notify their supervisor as soon as possible to ensure the Team Member is paid for the lunch period and any Team Member who fails to do so is subject to discipline. Unless authorized because of staff shortage, meals will be eaten away from the work area. Eating in the work area is prohibited. There are break rooms designated as food areas.

Personal Breaks:

A break of fifteen (15) minutes may be taken for every four (4) hours worked. In some instances, your supervisor may cancel break periods in order to meet Patient, Resident, and District obligations. All Team Members are required to clock out when leaving the premises for these breaks and must then clock back in upon return.

Your Personnel File

North Runnels Hospital District maintains a personnel file for each Team Member. Personnel files contain basic personal information (e.g. name, address, phone number) and employment-related information such as copies of performance appraisals, promotions, pay changes, etc. Your personnel file is the official record of your employment with us.

If you wish to review your personnel file, please contact Human Resources, who will arrange a time to review the file with you during normal work hours. You may request photocopies of any document in your personnel file that contains your signature. Personnel files are the exclusive property of the District and, therefore cannot be removed from the Human Resources Department.

We will make every effort to restrict disclosure of your personnel file to only authorized individuals (e.g. Supervisors and managers) within the District. Disclosure of personnel information to outside sources will be limited to the extent allowed by Texas law. However, we will cooperate with requests from authorized law enforcement agencies, or local, state or federal agencies conducting official investigations or audits, as well as our legal counsel, consultants and others on a "need-to-know" basis in order for those parties to effectively complete their work for our District. We also will respond to subpoenas as required, which may include providing copies of documents contained in your personnel file.

Any medical or health care records regarding Team Members will be kept separately from the Team Members' Official Personnel Record as required by law.

Changes in Personal Information:

To ensure that needed records are accurate and up-to-date, it is necessary for you to notify Human Resources in writing by completing a Personnel Action Form whenever changing the following:

- Name, address, telephone number or email
- Emergency contacts name, relationship, and daytime phone number
- Marital Status
- Beneficiary designations

Changes to your W-4 form should be made through Payroll by requesting a new W-4 and then completing it and returning it to Payroll for implementation.

New Team Member Information

New Team Member Orientation:

New Team Member orientation will be provided to educate and familiarize new Team Members with general organizational structure and layout, specific policies, procedures, manuals and to provide instruction regarding specific information throughout each department. The new Team Member orientation is designed to inform Team Members of the District's benefits, policies and procedures. All Team Members are required to attend online orientation until further notice. Information will be given to the Team Member for access to the online orientation and must be completed within 15 days from the date of hire.

New Team Members are considered to be in orientation for a period of 90 days from date of hire. This period is used by both the new Team Member and NRHD to evaluate if the employment relationship is a good fit. To assist with this evaluation, frequent informal and formal Team Member performance evaluations will be held. If NRHD determines in its sole discretion that a satisfactory performance level cannot be achieved through a reasonable amount of training and coaching, NRHD will exercise their rights as an "At Will" employer to separate the Team Member.

Child Support Reporting Requirements

Federal and state laws require us to report basic information about new Team Members, including your name, address, and Social Security number, to a state agency called the Texas Office of Attorney General. The state collects this information to enforce child support orders. If the state determines that you owe child support, it will send us an order requiring us to withhold money from your paycheck to pay your child support obligations.

Licensure and Certification Procedures:

In order for North Runnels Hospital District to maintain an accurate record of all personnel who are registered and/or licensed, the Human Resource must have a current copy of all license, certifications and/or registrations in the Team Member's personnel file. Please provide the Human Resources Department with a copy of any updates or renewals of your license, certification and/or registration. Any questions regarding the licensure and certification procedure should be directed to the Team Member's Supervisor.

Team Member Benefits Statement

North Runnels Hospital District is committed to offering a comprehensive and competitive benefits program. The benefits offered are meant to provide protection and peace of mind for you and your family, and are intended to assist with the financial impact of costs related to health care and catastrophic health conditions. You decide which options meet your needs, your budget and your life. From time to time benefits may be added or deleted from your benefits package. NRHD reserves the right to amend or to terminate its benefit plans or programs in whole or in part, from time to time, at its sole discretion. The official Plan documents outlining NRHD benefit programs are available for your review upon request and are referenced herein. If at any time the information provided in the Team Member Handbook, or on any District intranet or website differs from the official Plan documents, the Plan documents are considered the current and final source and shall govern over the language of any other descriptions of the plans, including this handbook. This information is not intended to be a legal contract or a specific promise of benefits. In all cases, the formal plan documents and insurance contracts will govern NRHD's Team Member benefit plans and programs.

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

Workers' Compensation

The District purchases workers' compensation insurance which covers every Team Member of the District at a substantial annual cost. This insurance provides important benefits to a Team Member who sustains an on-the-job-injury when doing work for the District. Benefits provided include: payment of all cost of medical care needed for the injury (including necessary rehabilitation); payment of temporary disability payments during the time that the Team Member cannot work due to the injury; certain lump sum payments or any permanent disability which may limit future employment prospects of the Team Member; and payment for retraining if the Team Member is unable to return to the former occupation. The compensability of any claim is determined by the insurance District in compliance with state laws. The forms needed to apply for such coverage are available through Human Resources and will be filed for you upon prompt notice of any on-the-job injury. Certain strict time limits apply to these claims, so it is very important to give prompt notice of any injury to your supervisor and/or Human Resources immediately.

Unemployment Compensation Insurance

North Runnels Hospital District pays premiums to the various state unemployment insurance funds in which we have Team Members in order to provide unemployment benefits in cases where the Team Member is out of work through no fault of his/her own. Benefits are available when allowed by Texas law. Claims for unemployment compensation are handled through the Texas Unemployment Commission, which make an initial assessment of the claim, and then can hold hearings if there is a question or dispute about whether the Team Member is eligible for benefits.

Social Security Coverage

Every pay period, you and NRHD will contribute a significant percentage of your wages into the Social Security system, including Medicaid. This money provides certain important benefits for each Team Member. The benefits offered by Social Security include disability payments and medical insurance for you if you become totally disabled for any reason prior to normal retirement; survivor benefits to your spouse and minor children if you die; and also retirement benefits and health insurance for you and your spouse when you reach retirement age. Information about available Social Security benefits may be obtained from your nearest Social Security office.

Health Insurance

NRHD offers a group health insurance program for regular full-time Team Members, any Team Member who meets the definition of full-time under the Affordable Care Act, and their dependents.

A benefits-eligible Team Member is eligible to participate in the Plan. A benefits-eligible Team Member is defined as follows:

- a. Regular Full-Time Team Members.
- b. Any Team Member who earns at least 30 hours of service per week on average.

A non-benefits-eligible Team Member is not eligible for participation in the Plan. A non-benefits-eligible Team Member is defined as follows:

- a. Variable Hour Team Member: An Team Member is considered a variable Team Member if, based on the facts and circumstances at the Team Member's start date, it cannot be determined that the Team Member is reasonably expected to work on average at least 30 hours per week

The initial measurement period for a new variable hour Team Member is 12 months in length and begins the first of the month following the Team Member's start date. If during the initial measurement period the Team Member is determined to be a

benefits-eligible Team Member, then coverage under the Plan is offered during the corresponding 12-month stability period.

Team Members are eligible for coverage after their first sixty (60) days and the first of the month of full time status. Team Members wishing to take coverage for Team Member/spouse/family will be responsible for the premium amount for the Team Member/spouse/family portion. The District holds a mandatory annual open enrollment; which Team Members may enroll if not previously enrolled or change their enrollment status. No changes can be made outside of open enrollment unless there is a qualifying life event (i.e.: marriage, divorce, birth, death, adoption, gain or loss of spouse employment, etc.) in which case Team Members should request the change in enrollment status within 30 days of the life qualifying event.

Please contact Human Resources should you require additional information or have questions.

Section 125 Plan:

Some of the NRHD plans may be administered under Section 125 of the Internal Revenue Code. Section 125 allows for premium payments collected through payroll to be deducted from a Team Member's gross pay prior to the calculation of any payroll taxes. This feature decreases the amount of taxes paid by the Team Member, thus increasing the total amount of a Team Member's take home pay. Team Member premium contributions for medical and dental insurance qualified under Section 125.

COBRA:

Under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA), you and your dependents may be guaranteed the right to choose continuation of coverage for a specified period of time under the District's Medical and Dental insurance programs, as long as you are enrolled in these programs at the time your employment with the District is terminated. Please contact Human Resources for more information and assistance.

HIPAA:

The Health Insurance Portability and Accountability Act of 1996 has four primary objectives:

- Assure health insurance portability by eliminating job-lock due to preexisting medical conditions.
- Reduce health care fraud and abuse.
- Enforce standards for health information
- Guarantee security and privacy of health information.

North Runnels Hospital District is committed to maintaining the confidentiality of your medical information. Contact the Human Resources Director or Compliance Officer for more information.

Life Insurance and Accidental Death Insurance

Life Insurance is also offered to regular full-time Team Members at no cost to the Team Member. Additional Life Insurance and Accidental Death and Dismemberment Insurance can be purchased by the Team Member.

457(b) & 401(a) Savings Plan:

A Savings Plan is offered to all Full Time Team Members. Team Members are eligible to enroll the first day of the month after the completion of 90 days' continuous service and are at least 18 years old. See current Policy for matching details.

Holidays:

The North Runnels Hospital District recognizes eight (8) holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Also, as an added benefit your Birthday will be recognized as a paid day off, you will be able to use this day on your Birthday or within 30 days of your Birthday, but will not roll over to the next year. This day has to be approved in advance by your Supervisor and will be paid out as one normally scheduled shift.

If a department is closed to observe a holiday, the Team Member must take the day off. Eligible Team Member may utilize PTO on the observed holiday (if it is requested in advance), provide they have sufficient time accrued in their PTO account to cover the holiday.

Team Members who are scheduled to work a holiday will be paid "time and a half" for the 24-hour period denoting the holiday, 12:00 a.m. through 11:59 p.m.

Holiday Differential:

As part of North Runnels Hospital's effort to promote fair and reasonable wages, a holiday differential premium is paid for all non-exempt Team Members who work on a holiday observed by the District.

1. Holiday differential will be paid for qualified, productive hours, but will not apply to non-productive hours (for example, PTO, EIB, Education, Leave and Bereavement).
2. Holiday differential will not be included as part of a Team Member's "average hourly rate" in that pay period.

Paid Time Off (PTO):

Paid time off (PTO) is intended to provide Team Members with a reasonable period of time each year to be free of job responsibilities.

Paid time off (PTO) hours for full-time regular Team Members will accrue according to the following schedule:

Length of Continuous Service	Accrual per Pay Period	Max Hours
0 - 7 years	6.46 hrs. per PP	200 hrs.
7+ years	8.00 hrs. per PP	240 hrs.

PTO does not apply to PRN or Part-Time Team Members

- You cannot use PTO before it is accrued or borrow it unless authorized by CEO.
- PTO cannot be used to extend your normal work week beyond forty (40) hours.
- PTO cannot be used in a week you “switch” or “pick up a shift” to extend your normal scheduled hours that week.
- PTO should be requested and approved as far in advance (2 weeks is preferred) as possible except in the instance of illness or injury.
- PTO must be taken in 1 hour units.
- PTO cannot be used in lieu of resignation.
- Team Members who resign in good standing, complete their required two week or 30-day notice and have at least twelve (12) months of Full Time consecutive service will be paid for accrued PTO at their regular base rate. At the discretion of the CEO

Because of work requirements, it may be necessary from time to time to withhold approval of a requested vacation. The District retains the right to decline PTO requests at the discretion of management. In cases where more than one Team Member wishes to schedule vacation at the same time, the Team Member with the most service time with the District will be given preference, unless the other Team Member had already schedule their vacation with the supervisor.

Team Members may donate up to forty (40) hours of their PTO to other Team Members if they desire. However, Team Members must maintain at least eighty (80) in their bank after donation. (Example: I have 117 hours in my PTO bank I can donate up to 37 hours.) Team Members can only donate when there is a need and all donations must be approved by NRHD CEO or in his/her absence the CFO. Team Members cannot donate time after they have submitted notice of resignation.

Extended Illness Bank (EIB):

North Runnels Hospital District recognizes the inability to work because of personal illness, maternity or injury may cause economic hardship. For this reason, a component of the PTO program, called Extended Illness Bank (EIB), is available for Full-Time Team members after they have completed their 90 days' probation period.

NRHD provides Full-Time Team Members with an EIB program for accruing time to be utilized for the Team Members approved illness.

Full-Time Team Members will accrue EIB when they begin full-time employment at the rate below.

Based on an 80 hour pay period the Team Member will earn:

2.77 hours/pay period

480 maximum accrual

Team Members will follow the following guidelines in regards to EIB usage:

- Team Members may request payment from their EIB bank when he/she is absent due to illness and provide a Doctors written excuse from work.
- If a Team Member is hospitalized as a patient either in or outpatient, they will need to provide written documentation to access their EIB bank.
- If a Team Member is out due to FMLA, for the Team Members serious health condition, birth of a child, or adoption of a child, they will be able to access their EIB bank. All required FMLA paperwork will need to be completed with Team Member and Human Resource.
- Team Members should make every reasonable effort to request EIB as far in advance as possible (2 weeks is preferred). Example: The Team Member has a surgical procedure scheduled.
- An additional four (4) hours of EIB can be used for a Wellness visit, a Doctor's note is required.
 - Team Members cannot use EIB before it has accrued or borrow it unless authorized by CEO.
 - EIB cannot be used to extend your normal work week beyond forty (40) hours.
 - EIB cannot be used in a week you "switch" or "pick up a shift" to extend your normal scheduled hours that week.
 - EIB must be taken in four (4) or eight (8) hour units.
 - EIB cannot be used in lieu of resignation.
 - EIB cannot be donated to another Team Member.

- Any unused EIB will be forfeited when the Team Member leaves employment for any reason.
- EIB cannot be accessed if a Doctor's note is not provided.
- When the EIB maximum accrual is reached, EIB will no longer accrue.
- EIB is not considered as hours worked for calculation weekly overtime.

In the event a Team Member falsely represents reasons for absence, he or she is subject to disciplinary action up to and including immediate discharge. Team Members are required to provide a Doctor's note which either documents a need for the absence or release of the Team Member to perform the full duties of their job.

Wage and Salary Administration

In order to recruit and retain the most qualified Team Members, North Runnels Hospital District endeavors to pay salaries complete with those paid by other employers in our industry and the applicable labor markets. It is the District's policy to pay wages and salaries competitive with other employers in the region, taking into consideration our Team Members' experience, skills, abilities, and attitude. All compensation decisions must take into consideration the District's overall financial condition and competitive position. In line with that objective, North Runnels Hospital District monitors wage scales to ensure that they are competitive with local as well as regional economic conditions.

Employment Classifications

Positions are classified as either *exempt* or *non-exempt* according to criteria set forth in the Federal Fair Labor Standards Act and applicable state laws. When you were offered employment, your classification was specified at that time. Any changes in classification can only be done through Human Resources based on changed responsibilities and other criteria.

- Salaried (exempt): Team Members in this classification are those paid base salary and/or commission for duties and responsibilities that are assigned to them. They are not paid an hourly rate or overtime although they may be required to work in excess of 40 hours a week.
- Hourly (non-exempt): Team Members in this classification are paid on an hourly basis for hours worked and are eligible for overtime pay.
- PRN and Part-Time Team Members are called on an as needed basis. Team Members in this classification may not be permitted work more than twenty-nine (29) hours each week. They are paid on an hourly basis for hours worked and are eligible for overtime pay.

We further classify Team Members as:

- Regular full-time Team Members: Those who are not in a temporary, Part-time or PRN status and work a regular schedule of at least thirty-two (32) or more hours each week and the job is expected to continue into the foreseeable future.
- Temporary Team Members: Those who are hired directly by us to perform short-term assignments. Temporary Team Members are not eligible for benefits.

Non-Exempt Overtime

In the event that you must work overtime to complete a job assignment you must obtain prior approval from your supervisor. All hours worked must be reported. Overtime is calculated on the basis of a forty (40) hour week or as determined by applicable state and federal laws. The Fair Labor Standards Act (FLSA) requires that overtime compensation be paid to non-exempt (hourly) Team Members who work in excess of forty hours during the normal work week at one and one-half (1 ¹/₂) times the regular hourly rate of pay.

Team Members classified as exempt are not eligible to receive overtime compensation. Exempt Team Members will be paid on a salary basis. Pay deductions for salaried, exempt Team Members are allowed only to the extent they are consistent with requirements of the Fair Labor Standards Act.

Shift Differentials:

North Runnels Hospital District pays a shift differential for eligible departments as determined by the District that are regularly scheduled as second shift and weekend shift. The second shift differential applies to hours worked between 19:00 and 07:00. The weekend shift differential applies to hours worked between Friday at 19:00 and Monday at 07:00. Schedules that begin at 19:00 or later and those that begin before 07:00 are eligible for differential pay only for the actual shift hours worked. Hours worked outside the second or weekend shift will be paid at the regular rate. Your department will advise you of your shift differential status if appropriate.

On Call/ Call Back Pay:

Team Members in designated departments who are scheduled "on-call" will be paid call back pay as established by the District. Your department will advise you of your call back requirements.

Non-exempt Team Members that are called to return to work will be compensated in accordance with the Wage and Hour Law requirements pertaining to hours worked and the requirement for overtime premium when they exceed forty (40) hours in a work week. Exempt Team Members are not eligible for "on call or call back" pay.

Pay Periods

All Team Members (hourly and salaried) will be paid on a bi-weekly basis every other Friday, resulting in 26 pay periods annually. If the scheduled payday falls on a non-working day/holiday, paychecks will be issued on the previous business day. Each payday Team Members will have access to a statement showing gross pay, deductions and net pay. Any city, state, federal and social security (FICA) taxes will be deducted automatically. In addition, any other legally required orders for withholding will also be withheld. Team Members are expected to review each statement to ensure accuracy. If you do find a discrepancy, please contact Payroll as soon as possible so it can be corrected timely.

Direct Deposit

The District mandates that Team Members have their pay checks direct deposited into their preferred bank account. A completed direct deposit request form accompanied by a voided check can be presented to Human Resources at the time of employment. Direct deposit should begin immediately. Suspension of direct deposit into a specific account must be submitted in writing to Payroll at least 1 week prior to the next scheduled pay period.

Payroll Deductions and W2 Forms

As an employer, we are required by law to make certain deductions from Team Members' paychecks each pay period. These deductions include, Federal Income Tax (FIT), Federal Social Security and Medicare Tax (FICA), and where applicable State Income Tax (SIT), and State Disability Insurance (SDI). The amount of these deductions is summarized on a W-2 form and provided to all Team members by mail no later than January 31st of each year to ensure that your W-2 is accurate and received on-time, any change of your name or address should be reported to Payroll at any time there are changes incurred. Garnishment of wages result when an unpaid creditor has taken the matter to court. A garnishment is legal permission for creditors to collect part of a Team Member's pay directly from the employer or for child support payments.

Although the District does not wish to become involved in a Team Member's private matters, we are compelled by law to administer the courts' order. Payroll deductions for certain benefits or insurance coverage(s) are calculated based on 24 bi-weekly pay periods per year. During months in which there are 3 pay periods, no payroll deduction will be taken from the 3rd pay check.

If you have any question about a garnishment from your paycheck, please contact Human Resources.

Time Reporting and Absence from Work

Hourly (non-exempt) Reporting/ Time Clock:

All non-exempt Team Members are responsible for ensuring that they appropriately report the number of hours they work on a weekly basis. All personnel must use the time clock to "clock in" and "clock out" at the times designated by their supervisor.

It is your responsibility to "clock in" and "clock out" at the beginning and end of each shift. Team Members are not allowed to clock in or clock out for each other. If you do fail to "clock in" or "clock out" you are required to notify a supervisor immediately, and complete a Time Sheet Correction Request form. If your failure to clock in and out correctly, you will be subject to NRHD's Disciplinary Policy. Falsification of time is theft and can be cause for immediate termination.

Reporting Absences:

Regularity of attendance and punctuality during working hours or scheduled shifts are matters of prime importance.

Team Members who are going to be absent from work for any reason must personally contact your supervisor at least two (2) hours prior to your scheduled shift, unless the absence is an emergency situation. If you cannot reach your supervisor, you must contact the Administrator/CEO. Requested absences should also be submitted in the time off request system within a timely manner. Your supervisor may require you to bring documentation regarding your absence to Human Resources upon your return.

Failure to Report: Calling in your absence later than two hours before the beginning of your shift will be considered a "Failure to Report", which may result in disciplinary action up to and including termination of employment.

No Call-No Show: Failure to call and notify your supervisor that you will not report to work will result in severe disciplinary action up to and including immediate termination of employment. A No Call-No Show is considered as job abandonment.

Leaves of Absence

Personal Leave:

If you are ineligible for any other NRHD leave of absence, under certain circumstances, may grant you a personal leave of absence. This leave benefit is intended so that you may take an extended amount of time away from work to recover

from medical disability, satisfy military service obligations, or handle compelling personal business. "Leave of absence" is defined as an excused absence without pay beyond three working days for medical, military or personal reasons. An absence involving jury duty and/or bereavement leave are not considered a leave of absence, nor is personal time off up to ten (10) days. A written request for a personal leave must be submitted to Human Resources on a Leave of Absence request form at least two (2) weeks before the requested start of the leave. If the leave is requested for medical reasons and you are not eligible for leave under the federal Family and Medical Leave Act (FMLA) or any state leave law, medical certification also must be submitted. Your request will be considered on a case-by-case basis looking at staffing requirements, the purpose of the leave, your performance and your attendance records. If approved, a Team Member may be able to take up to 12 weeks of unpaid leave during a 12-month period. NRHD will maintain health insurance and other benefits for Team Members on approved leave, but the Team Member is responsible for paying the normal monthly contribution. During any unpaid leave the Team Member will be required to submit periodic payments to NRHD, if applicable. Team Members who have accrued PTO may use their PTO to cover the cost of their premiums if they choose to do so. Health coverage may cease if payments become more than 30 days late. If the Team Member elects not to return to work at the end of an unpaid leave, the Team Member will be required to reimburse NRHD for the cost of health coverage paid by NRHD during the unpaid leave period to the extent allowed by law. Upon exhaustion of PTO during an approved leave time (up to 12 weeks), a Team Member on leave will begin paying 100% of the premiums in full through the end of the month the leave ends to continue all other benefit coverages and PTO accrual will discontinue.

When you anticipate your return to work, please notify Human Resources of your expected return date. This notification should be made at least one week before the end of your leave. Upon completion of your personal leave of absence, the District will attempt to return you to your original job, or to a similar position, subject to prevailing conditions. Placement will be based on position availability. Reinstatement however is not guaranteed.

Failure to advise Human Resources of your availability to return to work, failure to return to work when notified, or your continued absence from work beyond the time approved by the District will be considered as a voluntary resignation of your employment.

Family and Medical Leave Act (FMLA):

Team Members of North Runnels Hospital District are eligible for FMLA leave if they have at least twelve (12) months of service and have worked at least 1,250 hours in

the preceding 12 months. If eligible, a Team Member may be able to take up to 12 weeks of unpaid leave during a 12-month period for the following reasons:

- The birth of a child or to take care of a child within the first 12 months after birth;
- The placement of a child with the Team Member for adoption or foster care and to bond with and care for a child (within the first 12 months after placement);
- To care for an immediate family member (child, spouse, or parent) who has a serious health condition
- For a serious health condition that makes the Team Member unable to perform the functions of his or her position; or
- Because of any qualifying exigency that arises out of the fact that a spouse, parent, or child of the Team Member has been called to or is on Covered Active Duty as a member of the Armed Services, or as a member of the National Guard or Reserves. In the case of a member of the Armed Forces, Covered Active Duty means on duty during the deployment of the member of the Armed Forces to a foreign country. In the case of a member of the National Guard or Reserves, Covered Active Duty means the duty during the deployment to a foreign country under a call or order to active duty.

Qualifying Exigencies:

Includes attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements attending certain counseling sessions, and attending post-deployment reintegration briefings.

Military Caregiver Leave:

Additionally, a Team Member who is the spouse, parent, child or next of kin (which means nearest blood relative) of a Covered Service Member who was injured while on active duty may be eligible for up to 26 weeks of FMLA leave in a 12-month period, including the types of leave listed above (the 26 weeks includes the 12-weeks of traditional FMLA leave).

Serious Health Condition:

Is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the Team Member from performing the functions of the Team Member's job, or prevents the qualified family member from participating in school or other daily activities.

Notice of Leave:

Requests for FMLA leave should be made to your supervisor and Human Resources as far in advance of the intended absence as possible. The request

should supply sufficient information so as to make NRHD aware that the FMLA may apply to the leave request, as well as information regarding the anticipated timing and duration of leave. If the request is foreseeable, Team Members must provide 30 days' notice of their intention to take leave. If circumstances prevent the request from being made prior to the absence, notice should be given at the earliest opportunity. Team Members are expected to follow NRHD's normal call-in procedures. Team Members requesting FMLA leave should cooperate with requests for information regarding whether absences are FMLA-qualifying. Failure to comply with the call-in procedure or requests for information may result in the leave being delayed or denied.

Medical and Other Certifications:

Team Members will be required to provide a medical certificate if the leave request is: (a) for the Team Member's own serious health condition, (b) to care for a family member's serious health condition, or (c) military caregiver leave. Failure to provide the requested certificate in a timely manner may result in denial or the leave until it is provided. FMLA leave may be denied to a Team Member who does not provide a certificate for his or her leave request within 15 days unless it is not practicable under the particular circumstances to do so despite the Team Member's diligent good faith efforts.

Team Members on FMLA leave should report periodically on their status and their intention to return to work. Periodic re-certification of the medical condition may also be required. Team Members taking leave due to their own serious health condition are required to obtain certification that they are able to resume work prior to their return from any leave.

Calculating the FMLA Leave Entitlement:

The 12-month period for determining the amount of FMLA leave is based on a "rolling" 12-month period that measures backward from the date of the leave. Any FMLA leave taken in the preceding 12-month period will be used to determine the amount of available FMLA leave at that time.

Intermittent Leave:

When medically necessary, Team Members may take FMLA leave intermittently or on a reduced schedule basis for their own serious health condition, the serious health condition of a family member, or for military caregiver leave. Team Members are required to cooperate with NRHD to arrange reduced work schedules or intermittent leave so as to minimize disruption in business operations. Qualifying exigency leave may be taken intermittently without regard to medical necessity or disruption of business operations. In the case of unpaid

leave for the birth or placement of a child, intermittent leave or working a reduced number of hours is not permitted, unless both the Team Member and NRHD agree.

Continuation of Benefits:

NRHD will maintain health insurance and other benefits for Team Members on FMLA leave, but the Team Member is responsible for paying the normal monthly contribution. During any unpaid leave the Team Member will be required to submit periodic payments to NRHD, if applicable. Team Members who have accrued PTO may use their PTO to cover the cost of their premiums if they choose to do so. Health coverage may cease if payments become more than 30 days late. If the Team Member elects not to return to work at the end of an unpaid leave, the Team Member will be required to reimburse NRHD for the cost of health coverage paid by NRHD during the unpaid leave period to the extent allowed by law. Benefits, such as PTO will continue to be granted during 12 weeks of FMLA leave. Upon exhaustion of all FMLA time, a Team Member on leave will begin paying 100% of the premiums in full through the end of the month the leave ends to continue all other benefit coverages and PTO accrual will discontinue. FMLA leave will not result in the loss of any employment benefit that was available to the Team Member prior to the start of a Team Member's leave.

Married Couples:

If a Team Member and his or her spouse both work for NRHD, they are both eligible for FMLA leave. The Team Member and Team Member spouse may be limited to a combine total of 12 weeks of FMLA leave in a 12-month period if the leave is taken for:

- The birth, adoption, or foster placement of a child (within the first 12 months after the date of birth or placement of the child);
- To care for and bond with such child who does not suffer from a serious health condition; or
- A combination of the above.

For military caregiver leave, the Team Member and the Team Member's spouse may be limited to a total combined 26 weeks of leave in a 12-month period, including the types of leave listed above in this paragraph.

Concurrent Leave:

In some instances, Team Members who are on FMLA leave because of their own serious condition may also qualify for workers' compensation benefits, short-term disability benefits or other types of paid leave. Such absences will all run concurrently with FMLA leave.

Use of Paid Leave:

Every Team Member on unpaid FMLA leave may be required to first use any available paid leave while on unpaid FMLA leave. However, Team Members who have suffered an on-the-job injury and are receiving compensation through NRHD's Workers' Compensation Insurance may not use paid time off.

Return to Work:

Team Members returning from an approved FMLA leave of absence will be restored to their same job or to an equivalent job with equivalent status and pay, as required by law. If the same job or one of equivalent status and pay is not available as a result of a reduction in workforce, the

Team Member will be treated in the same manner as though he or she were not on leave. A Team Member who fails to return at the end of FMLA leave will in most cases be considered to have voluntarily resigned his or her position with NRHD.

Fitness for Duty Certifications:

Team Members returning from FMLA leave for his or her own serious health condition will need to provide a Fitness for Duty Certification signed by his or her health care provider. A Team Member who fails to provide a Fitness for Duty Certification will be prohibited from returning to work until it is provided. A Team Member who fails to provide a Fitness for Duty Certification will not be allowed to return to work and will be considered to have voluntarily resigned his or her position with NRHD.

Military Leave:

Any Team Member enlisting, entering or called to active duty with the Armed Forces of the United States, pursuant to the provisions of the Military Service Act of 1967, as amended, and the Uniformed Services Employment and Reemployment Right Act ("USERRA") shall be granted all rights and privileges provided by the Act and USERRA. Leave for military reserve duty will also be granted. Absence for military reserve duty will not affect employment status.

Jury Duty Leave:

NRHD encourages Team Members to fulfill your civic responsibilities by serving on jury selection or jury duty when called. You must request jury duty leave for the absence. Team Members are required to provide notice of a jury leave to your supervisor upon receipt of notification from the state or federal courts of an obligation to serve. You will be required to provide copies of the jury summons to your supervisor and Human Resources. Paid jury duty leave is available for full-time

regular Team Members for up to five (5) days (only if the jury duty occurs during a regularly scheduled work day of the Team Member.)

Upon completion of your jury service, you will need to secure from the court a receipt stating the dates you were retained on Jury duty. Any mileage allowance, fee, etc. paid to you by the court for jury services are to be retained by you. If work time remains after any day of jury selection or jury duty, you are expected to return to work for the remainder of your work schedule.

Bereavement Leave:

Paid bereavement leave is available for full-time regular Team Members.

A Team Member who wishes to take time off due to the death of an immediate family member should notify his or her supervisor and human resources immediately. If a Team Member leaves work early on the day he or she is notified of the death, that day will not count as bereavement leave.

Team Members are allowed up to five (5) eight (8) hour days off from regularly scheduled duty in the event of the death of the Team Member's spouse, child, parent, or sibling.

Team Members are allowed up to three (3) eight (8) hour days off from regularly scheduled duty in the event of the death of the Team Member's grandparent or grandchild.

In addition to bereavement leave, a Team Member may, with his or her supervisor's approval, use any available PTO for additional approved time off as necessary. All other bereavement leave can be requested using personal PTO.

Health and Safety

The health and safety of Team Members and others on District property are of critical concern to North Runnels Hospital District. The District intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon our Team Members to ensure that work areas are kept safe and free of hazardous conditions. Team Members are required to be conscientious about workplace safety, including proper operating methods, and to recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the District's premises, or in a product, facility, piece of equipment, process or practice for which the District is responsible should be brought to the attention of management immediately.

We regularly communicate in different ways with Team Members about workplace safety and health issues. These communications may include Supervisor-Team Member meetings, bulletin board postings, memos, or other written communications.

NRHD is committed to provide a safe work environment for all Team Members. All Team Members have the responsibility to report all job-related injuries when they occur and to report any unsafe working conditions to a member of their management team.

All workplace accidents, injuries and illnesses involving Team Members, even those that are not serious, must be immediately reported to their supervisors and human resources. An Incident Report must be completed and submitted immediately. It is very important that you tell the appropriate supervisor immediately about any accident that causes an injury or illness, no matter how minor it might seem at the time. When you report it quickly, we can investigate the accident promptly and start appropriate reporting as necessary. It is only through full knowledge of every accident or injury that NRHD can become a safer, healthier place to work for everyone. Team Members' notification to NRHD of unsafe working conditions or of workplace accidents, injuries or illnesses is essential to enforcing this policy. Team Members may be assured that they will not be penalized in any way for reporting unsafe working conditions or workplace accidents, injuries or illnesses.

Ethics at North Runnels Hospital District

Team Members are expected to adhere to the highest standards of personal, professional, and business ethics, and to always use common sense and good judgment in their conduct when on duty or representing the District. Honesty, respect and care in working with others on the job, in performing your duties, and in working with Patients, Residents, vendors, co-workers and visitors should be your standard benchmarks of your behavior. It is important to avoid even the appearance of any unethical behavior in all business relationships. NRHD does not condone unethical conduct. Should you have any questions or concerns regarding business ethics, please contact your supervisor or Human Resources. Engaging in unethical conduct may result in corrective action up to and including termination of employment. "Unethical conduct" includes, but is not limited to:

- Engaging in business conduct which is damaging to our reputation;
- Engaging in any activity or association that creates, or appears to create, a conflict between the Team Member's personal interest and the District's business interests:
- Allowing any situation or personal interest to interfere with the exercise of independent judgment or with that Team Member's ability to act in the best interest of the District;
- Disclosing or misusing trade secrets or confidential or propriety information belonging to the District or our Patients/Residents;

- Promising or giving something of value to anyone doing or seeking to do business with us in order to influence them in matters relating to us, other than normal entertainment or interaction with Patients/Residents;
- Accepting gifts, entertainment, services, or other benefits where the purpose is to unduly influence our business decisions or where acceptance of such gift is otherwise in violation of Texas law.
- Selecting vendors based on non-business reasons, such as personal or former business relationships;
- Directing business to a relative, friend, or District in which you or one of your family members has a direct or indirect financial or personal interest without fully disclosing the relationship to senior management;
- Representing or discussing District affairs with the media without proper authorization;
- Undermining business decisions;
- Using District confidential information or facilities or supplies, and/or merchandise for personal gain.

Open Communications

Our size and culture provides the opportunity to create a friendly, open work environment. By keeping the lines of communication open, we believe that we will all benefit from day-to-day work relations that are pleasant and enjoyable. To ensure that lines of communication remain open, you are encouraged to raise concerns and issues with the appropriate parties. You are invited to schedule an appointment with your supervisor whenever you feel the need for management assistance or would like to discuss a work related issue.

To protect our friendly work atmosphere, all Team Members are expected to treat each other with respect and conduct themselves professionally when discussing concerns or issues. Communications should focus on facts and resolving the problem at hand.

Personality conflicts are counterproductive and create unnecessary tension among our work team. All Team Members are expected to work together regardless of personal feelings for one another. Cooperative teamwork is essential to our success and is part of everyone's job responsibilities.

Employee Problem-Solving Procedure:

The “Chain of Command: Communication of Concerns” policy provides a formalized mechanism for staff to follow in order to resolve issues at the lowest level possible. It

is the mechanism to present or report an issue of concern and pass it up the lines of authority until a resolution is reached.

Team Members of the District should attempt to obtain answers to questions or solutions to work related problems from their Department Managers. If employees are not satisfied with the response of their Supervisor, they may utilize the District Employee Problem-Solving Procedure. Unanswered questions or unresolved problems are not desirable in the work situation, as they can lead to inefficiency, ineffectiveness and disruption of work. The Employee Problem-Solving Procedure gives Team Members the opportunity to formally bring the situation forward for proper handling that is designed to provide satisfaction for the parties involved. It is important that the problems be presented promptly and in writing. This written submission should be made within three (3) working days of the alleged situation so that facts may be readily obtained and a decision reached. If the problem involves the Team Member's Supervisor the employee may go to the next in the chain of command to start the Procedure's process. Time limits in the steps of the problem-Solving Procedure are not intended to be a hindrance in an employee complaint situation. However, if employees presenting complaints do not appeal from one step to another within the specified number of working days the matter may be considered closed unless the employee shows unusual circumstances that time limits given may be extended by mutual written consent of the employee(s) involved and the Administrator/CEO. The steps in the Problem-Solving Procedure are as follows:

Step 1. Supervisor:

Present the concern in writing to the Supervisor.

Step 2. Department Manager:

If the Supervisor is unable to resolve the employee's concern, then the complaint should be submitted in writing by the employee to the Department Manager. The Department Manager will respond in writing within two (2) working days. If the response is not acceptable to the employee, the written complaint will then be forwarded to the Human Resource Director within three (3) working days.

Step 3. Human Resource Director:

The Human Resource Director will review the written concern and speak to all parties involved in order to resolve the complaint. If the Human Resource Director is unable to resolve the Team Member's concern, then the complaint will be submitted in writing along with all documentation to the Administrator/CEO within three (3) working days.

Step 4. Administrator/CEO:

The Administrator will review the matter, interview the Team Members and render a decision within five (5) working days. The decision of the Administrator/CEO is the last step in the Employee Problem Solving Procedure and the decision of the Administrator/CEO is final.

Fair Employment Practices

NRHD is an Equal Opportunity Employer. Accordingly, we promote equal opportunity in the areas of recruitment, training, development, compensation, transfer and promotion. Our employment practices are without regard to race, color, sex, national origin, age, disability, marital status, veteran status, genetic information and all other categories protected by federal, state, and local antidiscrimination laws.

The District is committed to providing its Team Members a workplace that is free from recognized safety and health hazards and a work environment free from discrimination, harassment, or personal behavior not conducive to a productive work climate.

Discrimination is defined in law as unfavorable or unfair treatment of a person or class of persons in comparison to others who are not members of the protected class because of race, color, sex, national origin, age, disability, marital status, Veteran status, genetic information, or reprisal for opposition to discriminatory practices or participation in the Equal Employment Opportunity (EEO) process.

Federal EEO laws prohibit an employer from discriminating against persons in all aspects of employment, including recruitment, selection, evaluation, promotion, training, compensation, discipline, retention, and working conditions, because of their protected status.

Reporting Discrimination:

If you feel that you are a victim of discrimination, **immediately** report it to Human Resources and to your supervisor, even if you have discussed it directly with the individual(s) involved. You will be asked to provide the following information when reporting discriminatory activity.

- Date(s), time(s), and location(s) of the incident/incidences that took place
- Description of each incident: e.g. "what was said and/or done", etc.
- Name(s) of anyone present during each incident; and
- Anyone with whom you've discussed the incident/incidences.

Complaints of discrimination will be investigated and the results of the investigations will be reported to the complaining party. The matter will be treated in confidence to the extent possible. Investigation of a discrimination complaint may include, but is not limited to, interviewing the complaining party as well as other Team Members, Patients, and Residents necessary to obtain sufficient information upon which to make an assessment of the situation. While we make every effort to be sensitive to privacy issues, in the course of an investigation, we will discuss relevant information with appropriate parties on a need-to-know-basis.

District policy and federal law strictly prohibit retaliation against a Team Member who reports discrimination. We are committed to addressing these issues and believe we can effectively address these matters when advised of a problem. We cannot investigate and remedy discriminatory activity unless you report incidents to Human Resources.

Additionally, in keeping with the Americans with Disability Act and the religious discrimination provisions of Title VII of the Civil Rights Act, we will make appropriate accommodations for Team Members with qualified disabilities or religious needs whenever possible as long as the accommodation does not cause the District or other Team Members' undue hardship.

Anti-Harassment Policy

Harassment on the basis of sex, race, national origin, age, disability, or other protected status, including sexual harassment, will not be tolerated. It is also a violation of District policy for any Team Member, supervisor, or any member of management, male or female, to engage in the acts or behavior detailed below. The District's Anti-Harassment Policy also applies to all District sponsored events. Accordingly, District management is committed to vigorously enforcing this policy against harassment at all levels within the District. It is the policy of the District to maintain a working environment that encourages mutual respect and promotes respectful and congenial relationships. All reported or suspected occurrences of harassment will be promptly and thoroughly investigated. Where harassment is determined to have occurred, the District will immediately take appropriate disciplinary action commensurate with the severity of the offense, including written warning and possible suspension, transfer and/or termination. It is against District policy to tolerate harassment of its Team Members by the District's Patients, Residents, agents, or vendors. No one, including your supervisor or any other manager, will be permitted to retaliate against you, or get back at you, for truthfully reporting sexual or any other type of harassment regardless of who the "harasser" or "victim" may be. If you believe you may have suffered retaliation as a result of reporting harassment, you should immediately report this to Human Resources.

Definitions and Examples of Harassment:

- **Harassment:** Verbal or physical conduct designed to threaten, intimidate or coerce. Also, verbal taunting, in which the Team Member's opinion, impairs his/her ability to perform his/her job.
- **Sexual Harassment:** Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when such conduct:
 1. Is made explicitly or implicitly as a term or condition of employment, or

2. Is used as a basis for an employment decision, or unreasonably interferes with a Team Member's work performance or creates an otherwise offensive environment.

Sexual Harassment does not refer to behavior or occasional compliments of a socially acceptable nature. It refers to behavior that is unwelcome, that is personally offensive and therefore interferes with work effectiveness. Sexual Harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different genders. Examples of Sexual harassment include but are not limited to:

- **Verbal:** Sexual innuendos, suggestive comments, jokes of a sexual nature, sexual propositions, threats, demands for sexual favors.
- **Non-verbal:** Sexually suggestive objects or pictures, graphic commentaries, suggestive or insulting sounds, leering, whistling, or obscene gestures.
- **Physical:** Unwanted physical contact, including touching, pinching, brushing the body, coerced sexual activity, and assault

What to Do if You See or Experience Harassment:

If you see or experience harassment, you should immediately report the harassment. DO NOT WAIT until you "cannot stand" the harassment any longer. Do not wait until the harassment affects your job or your work environment. The District's policy is to stop harassment before it affects the employment or work environment of any Team Member. As with any other violation of District policy, all Team Members are expected to report any harassment that they observe, whether or not the harassment is directed at them. The full cooperation of everyone is needed to keep our work force free of sexual or other types of harassment.

Filing a Complaint of Harassment:

Complaint of harassment of any type should be reported immediately to your supervisor and/or Human Resources. If after reporting harassment to your supervisor, you have not been contacted by Human Resources within the next twenty-four (24) hours after reporting the harassment, you should contact Human Resources directly. It is preferred that your complaint be submitted in writing, however, Human Resources will investigate any and all complaints of unlawful harassment whether the complaint is made in writing or verbally. Your complaint should include:

- The details of the incident or incidents;
- The names of the individuals involved;
- The names of any witnesses.

All reports of harassment will be treated seriously. However, absolute

confidentiality is not promised nor can it be assured. The District will conduct an investigation of any complaint, which will require limited disclosure of pertinent information to certain parties, including the alleged harasser.

Investigation of Harassment:

Once a complaint is received, the District will begin a prompt and thorough investigation. The investigation may include interviews with all involved Team Members, including the alleged harasser, and any Team Members who are aware of facts or incidents alleged to have occurred. A separate, confidential file on the investigation will be maintained by Human Resources, with limited access. Investigative documents will not be placed in personnel files and will be the exclusive property of the District.

Determination/Conclusion of Investigation:

Once the investigation is completed, a determination will be made regarding the validity of the harassment allegations. If it is determined that harassment has occurred; prompt remedial action will be taken. The purpose of such action will be to ensure that the harassment does not occur again. The complaining Team Member will be notified of the results of the investigation as soon as possible following the remedial action taken.

Duties of Team Members:

All Team Members of the District, both management and non-management are responsible for ensuring that a workplace free from harassment is maintained. Any Team Member may file a harassment complaint regarding incidents experienced personally or incidents observed in the workplace. The District strives to maintain a lawful, pleasant work environment where all Team Members are able to effectively perform their work without interference of any type and request the assistance of all Team Members in this effort.

Duties of Management:

All District management personnel including supervisors at all levels are expected to adhere to the District's anti-harassment policy. If a complaint is raised, management is expected to act promptly to notify Human Resources of the complaint so that Human Resources may proceed with an investigation. If a member of management fails to follow this policy, they will be disciplined. Such discipline may include termination of employment.

Alcohol and Illegal Drugs at Work

The District prohibits the use of alcohol and drugs in the workplace. We recognize that drug and alcohol abuses are serious problems present in today's society. We also recognize the importance of maintaining a safe, efficient, and healthy work environment. Being under the influence of any alcoholic beverage and/or illegal drug on the job poses serious risks to Team Member health and safety. To protect the safety and health of all Team Members, we have established the following policies regarding alcohol and illegal drugs at work. "Illegal drug" is defined as any substance deemed illegal under federal law regardless of its legality under state or local law.

Use of Medications While Working:

Taking legally prescribed medications or over-the-counter medications are permitted to the extent that use of such medications does not adversely affect your job performance or safety, or the safety of others. If you are using prescriptions or over-the-counter medications that may impair your ability to perform your job safely and/or with sound judgment, you must report such use to your supervisor or Human Resources before starting or resuming work. If you discover that such medication impairs or adversely impacts your ability to work, immediately stop working and report your condition to your supervisor. Working while affected by prescription or over-the-counter medications is dangerous. Consult with your physician if you are impaired or affected by prescription or over-the-counter medications.

Alcohol Consumption or Illegal Drugs at Work:

The consumption of alcohol and/or illegal substances on District property is strictly forbidden. The following rules and standards of conduct apply to all Team Members either on District property or during the workday (including meals and rest periods). For the purposes of this policy "District property" includes parking lots, off-site work locations, customer property or any location where you may be performing work for the District. The District strictly prohibits the following:

- Possession, use, or being under the influence of alcohol or an illegal or controlled substance while on the job.
- Driving a District vehicle or any vehicle on District business, while under the influence of alcohol or an illegal or controlled substance.
- Distribution, sale or purchase of an illegal or controlled substance while on the job.

Violation of the above rules and standards of conduct will not be tolerated. The District may also bring the matter to the attention of appropriate law enforcement authorities.

A Team Member's conviction on a charge of illegal sale or possession of any controlled substance while off District property will not be tolerated because such conduct, even though off duty, reflects adversely on the District. In addition to reflecting adversely on the District, the District must keep people who sell controlled substances off the District's premises in order to keep controlled substances off the premises.

Team Members, who drink alcohol while attending district-sponsored events off of District property are expected to do so in moderation.

Alcohol or Drug Testing:

Pre-Employment:

All applicants receiving a conditional offer of employment must pass a drug test before beginning work. Refusal to submit to testing will result in disqualification of further employment consideration.

At the District's sole discretion, we may require alcohol or drug testing when:

- A reasonable suspicion exists that you are under the influence of any controlled substance, drug or alcohol while on the job, in the workplace, or at a customer site; or,
- When an accident, near miss, or incident occurs in which safety precautions are violated or careless acts are performed, and a reasonable suspicion exists that you are "under the influence".

Additionally, the District may conduct random drug and alcohol testing of Team Members in safety sensitive positions, such as direct Patient/Resident care Team Members.

Alcohol or drug testing will involve an initial screening test at a qualified laboratory or clinic. Test results will be kept as confidential as possible. A positive test is grounds for corrective action up to and including termination of employment. Refusal to submit to testing when a reasonable suspicion has been established may result in corrective action up to and including termination of employment.

Inspection of Team Member and Personal Property:

In order to promote a safe, productive, substance abuse-free workplace, to the extent allowed by law, shall an employee demonstrate impairment or any other probable cause, we reserve the right to inspect Team Member clothing, purses, personal vehicles on District property, packages, lunch boxes, containers, articles in such areas, and other objects brought onto District property. Any Team Member who does

not consent to and fully cooperate with such inspections is subject to corrective action up to and including termination of employment.

Violence or other Inappropriate Behavior

Threatening Team Members, Patients, Residents, visitors, vendors, or engaging in threatening or violent behavior in our workplace (or at a customer or vendor site) is a serious matter. Such conduct places the safety and health of our Team Members, Patients, Residents, and vendors in jeopardy and will not be tolerated. Team Members engaging in such activities, including those listed below, will be subject to appropriate corrective action up to and including termination of employment.

- Threats of any kind;
- Threatening, physically aggressive or violent behavior, such as intimidation of or attempts to instill fear in others;
- Other behavior including belligerent speech, excessive arguing, insubordination, sabotage of District property or indecent exposure;
- Defacing District property or causing physical damage to District facilities;
- Bringing weapons or firearms of any kind in violation of Texas law onto District premises in District vehicles, or while conducting District business; and/or
- Using any object in a threatening or weapon-like manner.

No Weapons

Possessing a dangerous weapon while on NRHD property or while on company business is strictly prohibited, unless otherwise approved in writing by the NRHD CEO. "Dangerous Weapons" are defined as firearms, handguns, rifles, switchblade knives, explosives and any other instrument, device, or thing capable of inflicting bodily harm, including death, and designed or specifically adapted for such use.

Searches of Personal Property:

NRHD reserves the right at any time and at its discretion to search all hospital-owned or leased vehicles and other hospital property, and to the extent allowed by law, all vehicles, plus packages, containers, briefcases, purses, Team Member lockers, desks, lunchboxes, enclosures and persons entering its property, for the purpose of determining whether any weapon or other illegal or dangerous item is being, or has been, brought onto its property or premises in violation of this policy. Team Members who fail or refuse to promptly permit a search under this policy will be subject to disciplinary action, up to and including immediate suspension or termination.

What to do if you are threatened, or are a Victim of Workplace Violence: If you are threatened, or are a victim of a violent act in the workplace, or if you observe behavior that is violent, or potentially violent (as described above), immediately report it to your supervisor or any other member of management and Human Resources. This includes threats or violent acts by co-workers, Patients, Residents, visitors, or others who have come onto our premises.

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly and reported to law enforcement when appropriate. We will maintain confidentiality when possible, *i.e.*, release information only to those with a business need-to-know. We will not tolerate retaliation against any Team Member who reports workplace violence.

Threats of Violence by Outside Third Parties:

Unfortunately, sometimes non-Team Members may try to bring their personal disputes into our workplace. To protect your safety and the safety of your co-workers, please **immediately** report to your supervisor or Human Resources a personal situation that may bring violence to our workplace. Team Members who report potential workplace violence from a domestic or personal dispute do not need to fear corrective action or retaliation. However, it is your responsibility to inform the District if you have filed a restraining order against someone.

Electronic Mail (E-MAIL) and Internet Use

District Policy:

- The electronic mail (e-mail) system is the property of the District.
- The electronic mail system is not to be used in ways that are disruptive or offensive to others, or in ways that could be harmful to workplace morale. District provided computers are purely business tools.
- All e-mail related hardware and software, as well as the messages sent or received through use of the District's e-mail system, are and shall remain the District's property.
- There should be no display or transmission of sexually explicit images, messages or cartoons, or any transmission or use of e-mail communications containing ethnic slurs, racial epithets, or anything that may be construed as violating the District's Anti-Harassment Policy.
- The information systems at work are to be used exclusively for business of the District. The email system should not be used to solicit or to address others

regarding commercial, religious, or political causes, or for any other solicitations that are not work related.

- All e-mail messages are records of the organization. NRHD reserves the right to enter the e-mail system and access, copy, review, disclose, delete, audit or intercept all messages created, received or sent over its electronic mail system for any purpose.
- For reasons of privacy, Team Members should not attempt to gain access to another Team Member's personal file of e-mail messages without the latter's express permission.
- Team Members' use of the e-mail and the Internet may be monitored. No expectation of privacy or personal right of privacy by a Team Member exists in any file contained within or transmitted by the District's network.
- Any violation of the District's policy on e-mail or Internet usage may result in disciplinary action up to and including termination of employment.
- NRHD buys and licenses computer software for business purposes. We do not own the copyright to this software or its documentation. Unless the software developer authorizes us, we do not have the right to use the software on more than one computer. NRHD prohibits the illegal duplication of software and its documentation.

Privacy:

Team Members should not have an expectation of privacy, nor should any expectation of privacy be created as a result of gaining access to the Internet. All information stored, received or obtained while using the Internet is the property of the District, which reserves the right to review and analyze Internet usage.

Use of a personal online account such as "Hotmail" accessed at work or through the District's systems is included. Such information may be used to determine if any Team Member is violating this and/or any other District policy.

NRHD may conduct workplace monitoring of non-private workplace areas to help ensure quality control, Team Member safety, security, proper business activities, detect theft and misconduct. We may also monitor the locations of business equipment and vehicles to ensure efficient business utilization and compliance with business policies.

Unacceptable Use of the Internet:

The Internet should not be used for personal gain or advancement of non-business individual views. Solicitation of non-District business, or any use of the Internet for personal gain is strictly prohibited. Use of the Internet must not disrupt the operations of the District network or the networks of other users nor may Team Members use company internet to access social media, you tube or other such sites. It must not

interfere with your productivity. Unauthorized publishing of information on the Internet on behalf of the District is prohibited. Any Internet usage, which would result in a violation of laws or regulations or the District's policies and practices, is prohibited and will be reported to the proper authorities for investigation.

Camera Phones/Recording Devices

North Runnels Hospital District prohibits the audio recording of any conversations with a tape recorder, phone, electronic tablet, computer, or any other recording device and any video recording or photographs by Team Members while in the workplace or on duty, unless prior approval is received from a member of upper-level management (CEO, CFO, and CNO). Videos and taking of pictures are strictly prohibited in Patient/Resident care areas.

The purposes for this policy include, but are not necessarily limited to: promoting good working relations; eliminating a chilling effect on the expression of views that may exist when one person is concerned that his or her conversation with another is being secretly recorded, which can inhibit spontaneous and honest dialogue especially when sensitive or confidential matters are being discussed; protect confidential information in the Hospital and Hospital District departments, including protected health information

Statements to the Media/Publicity

All media inquiries regarding the District and its operation must be referred to the Administrator/CEO. Only the Administrator/CEO of the District is authorized to make or approve public statements pertaining to the District or its operations. No Team Member, unless specifically designated by the Administrator/CEO, is authorized to make those statements. Any Team Member wishing to write and/or publish an article, paper, or other publication on behalf of the District must first obtain approval and authorization from the Administrator/CEO.

Social Media

We understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these rules and guidelines for appropriate use of social media. Unless stated otherwise, this social media policy applies to all NRHD Team Members both on and off duty.

What Is Considered Social Media:

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with NRHD, as well as any other form of electronic communication. The same principles and guidelines found in NRHD policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise adversely affects Team Members, Patients, Residents, vendors or any person who works on behalf of NRHD or NRHD's legitimate business interests may result in disciplinary action up to and including employment termination.

Know and Follow These Social Media Guidelines:

Carefully read these guidelines, the Prohibited Conduct, Confidentiality, Ethics, Discrimination & Harassment, Violence or Other Inappropriate Conduct, and Electronic Communications Policies. You should always make sure your postings are consistent with each of these policies. Inappropriate postings that may include confidential information, discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated. If any of your posts violate these policies, you may be subject to disciplinary actions up to and including employment termination.

Be respectful:

Always be fair and courteous to fellow Team Members, Patients, Residents, vendors and anyone who works on behalf of NRHD. Also, keep in mind that you are more likely to resolve work related complaints by speaking directly with your coworkers or by utilizing our Open Door Policy than by posting complaints to a social media. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as: malicious, obscene, harassing, bullying, threatening, intimidating, disparaging of Patients, Residents, Team Members, vendors, or anyone else who works on behalf of NRHD. Examples of this type of conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or NRHD policy.

Be honest and accurate:

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about NRHD, fellow Team Members, Patients, Residents, vendors or anyone who works on behalf of NRHD.

Post only appropriate and respectful content:

- Maintain the confidentiality of NRHD private and confidential information. Do not post internal reports, protected health information or any Patient/Resident or Patient/Resident care related information, company financial information, policies, procedures, or other internal business-related confidential communications.
- Do not create a link from your blog, website or other social networking site to the NRHD website without identifying yourself as a Team Member of NRHD.
- Express only your personal opinions. Never represent yourself as a spokesperson for NRHD.
- If NRHD is a subject of the content you are creating, be clear and open about the fact that you are a Team Member and make it clear that your views do not represent those of NRHD your fellow Team Members, Patients, Residents, vendors or others working on behalf of NRHD.
- If you do publish a blog or post online related to the work you do or anything associated with NRHD, make it clear that you are not speaking on behalf of NRHD, it is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of NRHD."
- Respect the privacy of others: Do not identify Team Members, Patients, Residents or post any information that is liable to result in a complaint or can construed as an act of harassment or the creation of a hostile environment.

Using social media at work:

Refrain from using social media while on work time or on equipment the NRHD provides, unless it is work-related as authorized by your manager. Do not use the NRHD email addresses to register on social networks, blogs or other online tools utilized for personal use.

Retaliation is prohibited:

NRHD prohibits taking negative action against any Team Member, Patient, Resident, or vendor for reporting a possible deviation from this policy or for cooperating in an investigation. Any Team Member who retaliates against anyone for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including employment termination.

If you have questions or need further guidance regarding this policy, please contact your Manager or the HR Department.

Smoking and Tobacco Use

North Runnels Hospital District promotes the health and welfare of its Patients/Residents, Team Members and visitors. Smoking is PROHIBITED on all District property. All persons who enter a District facility are to refrain from the use of smoking materials. Team Members who desire to smoke MUST entirely leave District property. The use of smokeless tobacco and electronic cigarettes are prohibited. Team Members smoking in any nonsmoking area will be subject to disciplinary action.

Solicitation

North Runnels Hospital District strives to maintain a tranquil atmosphere that facilitates the customer service and satisfaction, physician practice, and effective treatment and recuperation of Patients/Residents. It is also the policy of NRHD to protect Team Members from interference in their work or use of the facilities. To avoid disruption of health care operations or disturbance of Patients/Residents, the following rules apply to the solicitation and distribution of literature on District property. This policy applies to all organizations and Team Members within NRHD. Non-Team Members of NRHD may not come onto District property at any time to distribute materials, literature or advertisement, or to solicit membership, support, contributions or sale of goods on behalf of any organization, fund activity or cause.

Solicitation or distribution by Team Members in permitted areas (Team Member break rooms, locker rooms and Team Member parking lots) as set out below may be prohibited if such activity becomes unduly loud, disruptive or harassing, interferes with the work of others or may disturb Patients/Residents, their families or visitors.

- Team Members are prohibited from placing non-work related materials on any bulletin board or using the NRHD interoffice mail or electronic mail or network to send non-work related material or messages.
- Team Members are prohibited from wearing non NRHD related buttons in work areas where Patients/Residents typically can be found such as Patient/Resident rooms, operating and/or treatment rooms, Patient/Resident lounges, and immediate adjacent areas such as hallways.

This policy will be strictly enforced. Team Members who violate this policy will be subject to appropriate disciplinary action, up to and including discharge.

Telephone Calls and Personal Technology

Disruptions during working time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum and made on your breaks and meal break. Team Members cannot use District telephones for personal calls, unless an emergency. All personal use of electronic devices (including but not limited to: phones, tablets, mp3 players, games, etc...) are prohibited while on duty and when interacting with patients, unless otherwise specified directly to you by your supervisor.

Attendance and Punctuality

Individual work efforts are very important to the District's operation and overall success. We depend on Team Members to report to work regularly and at the agreed time. When you have advance knowledge that you will be absent or late for work, your Supervisor and/or the Director of your department should be notified as far in advance as possible and in accordance with NRHD Time and Absence Reporting policy. If you are not able to provide advance notice due to the circumstances, you should notify your Supervisor and/or the Director of your department as soon as you are able to do so.

North Runnels Hospital District is a rural area healthcare facility and quality Patient/Resident care is of utmost importance. Due to North Runnels Hospital District being a rural area healthcare facility, there may be times that you are required to report for work in adverse weather conditions and unforeseen circumstances. It is your responsibility to make any necessary arrangements prior to your scheduled shift in order to report to your scheduled shift on time and ready for work.

Prohibited Conduct

There are many of us working together here at NRHD, and we need to guard our security, personal safety, welfare and District operations at all times. In addition to the Conduct Standards previously discussed, the following types of conduct are prohibited and will not be tolerated by NRHD. This list of prohibited conduct is illustrative only and does not alter the employment-at-will relationship between the Team Member and NRHD. Other types of conduct may also be prohibited.

- Behavior that is inconsistent with the NRHD's stated mission, vision, and core values.
- Violation of any NRHD policy, procedure, or standard.
- Violation of any safety, health, security policy, rule, or procedure.
- Violation of the NRHD Compliance and Ethics Program/Code of Conduct.
- Falsification of employment records, employment information, or other District records.

- Recording the work time of another Team Member or allowing any other Team Member to record your work time, or any falsification of any time card/time-sheet, either yours or another's.
- Theft, dishonesty, fraud, sabotage, deliberate or careless damage to any District property, premises, or property of any Team Member.
- Removing, borrowing, or unauthorized use of District property, equipment, materials, or time without proper authorization.
- Throwing things, horseplay, practical jokes or other disorderly conduct which may endanger the well-being of any Team Member at any time.
- Engaging in criminal conduct whether or not related to job performance.
- Insubordination, including but not limited to failure or refusal to obey orders or instruction of a supervisor or member of management, or failure to perform reasonable job duties which you are assigned.
- Attempted assault, threats, coercion or intimidation of a Team Member or other person while on NRHD property or during the performance of NRHD business. This includes using abusive or vulgar language, interfering with the performance of other Team Members, carrying weapons or explosives and fighting on NRHD property.
- Use of profanity or otherwise inappropriate or offensive language or conduct in the workplace. This includes using insulting or obscene language and jokes or gestures.
- Disruptive conduct of a continuous nature that interferes with your performance or the performance of other Team Members.
- Rude or inappropriate interactions with Patients, Residents, visitors or co-workers
- Sleeping or malingering on the job.
- Working overtime without authorization or refusing to work assigned overtime.
- Being late to work, not calling in or repeated absence/tardy issues
- Improperly accessing, using or disclosing a Patient's/Resident's protected health information as that term is defined by the HIPAA Privacy Rule.
- Failure to cooperate with an investigation, including giving false or misleading statements.
- Conduct or performance which, in NRHD's opinion, does not meet the requirements of the position.
- Soliciting or accepting gratuities from Patients/Residents or clients
- Excessive unnecessary, or un authorized use of company supplies

- Possession, sale purchase, use and/or exchange of illegal drugs or use of alcoholic beverages (during working hours) while on District property, in District vehicles, or while on duty. Reporting to work or working while under the influence of alcohol or drugs is a board reportable offense and subject to immediate termination of employment.
- The unlawful manufacturing, sale distribution, dispensing, diversion, possession, or use of any drug.
- Unauthorized possession of firearms, knives or explosive devices on District property.
- Unauthorized presence on District properties.
- Altering or falsifying official documents, authorizations, or records.
- Gambling on District property
- Neglect while on duty
- Other circumstances, actions, and behaviors for which NRHD feels is prohibited and disciplinary action is warranted.

Disciplinary Action

NRHD believes that reasonable rules regarding Team Member conduct are necessary for a safe and efficient work environment. Supervisors are responsible for educating Team Members about our District rules and regulations as contained in this handbook, and we prefer to give our Team Members the opportunity to correct their behavior, if possible. We believe that it is important that Team Members are treated fairly and that disciplinary actions are prompt, consistent and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the Team Member for satisfactory service in the future.

Disciplinary Progression:

Although your employment with NRHD is based on mutual consent and both the Team Member and District have the right to terminate employment at will, with or without cause or advance notice, NRHD may use progressive discipline at its discretion.

Disciplinary action typically follows the subsequent progression:

1. Verbal warning
2. Written warning
3. Final written warning
4. Suspension
5. Termination

There is no set number of times a less-severe action must be taken before the disciplinary action progresses to a more serious action, and we may elect to skip one or more steps at any time we deem necessary.

Determinants of Disciplinary Action:

NRHD looks at several factors when determining a Team Member's disciplinary action. The District will look at the severity of the offense, repetition or duration of the offense, existence of any prior offenses and disciplinary actions and the Team Member's response to previous disciplinary actions and current impending disciplinary action. Depending on the factors, we may elect to skip any of the disciplinary steps listed above. In most serious cases, termination may be the first and only disciplinary action taken. The following offenses may warrant immediate termination, without any prior warnings or other disciplinary actions.

Recordkeeping:

NRHD keeps a written record of all disciplinary actions taken, including verbal warnings. These records will remain a part of the Team Member's disciplinary record and will remain a part of the Team Member's personnel file. All violations of District rules and regulations that require disciplinary action will be a part of the Team Member's performance evaluations and can affect pay increases and/or promotional opportunities.

Confidentiality

It is more than likely that your work assignments may involve work of a confidential nature. In some or all of its aspects, your work may involve contact with confidential information of the District, or of our Patients/Residents that has been entrusted to us. You are expected to protect the interests of the District and our Patients/Residents by not disclosing to outsiders or individuals within the District without a need to receive, or an authorization to receive, any information that is considered confidential or proprietary in nature. If in doubt as to whether information should be divulged, err in favor of not divulging information, and then discuss the information with your supervisor. Information, which we may consider as confidential or proprietary includes:

- Patients'/Residents' protected health information.
- Financial data.
- Personnel information, including that of current or past Team Members.
- Information regarding customer transactions or data.
- Payroll records, any salary information.

As a condition of employment you agree that you will not, except as required in the conduct of the District's business, or as authorized by the Administrator/CEO of the District, publish or disclose, either during your term of employment or at any time thereafter, any confidential information relating to the District or District Patients/Residents that you acquire by reason of your employment by the District. Team Members who fail to properly safeguard and maintain the confidentiality of, or who improperly access, use or disclose Patients'/Residents' protected health information will be subject to discipline.

Confidential information obtained during or through employment with the District may not be used by any Team Member for the purpose of furthering current or future outside employment or activities or for obtaining personal gain or profit. The District reserves the right to avail itself of all legal or equitable remedies to prevent impermissible use of confidential information or to recover damages incurred as a result of such impermissible use of confidential information.

NRHD has adopted a policy that protects the privacy and confidentiality of protected health information (PHI). The private and confidential use of such information will be the responsibility of all individuals with job duties requiring access to PHI in the course of their jobs.

As a Team Member you are expected to respect the confidential nature of all records and any personal contact you may have with Patients/Residents. You are expected adhere to all rules, policies, and procedures pertaining to confidentiality regarding all files and identification of Patients/Residents, former Patients/Residents, or potential Patients/Residents for which you come in contact. You will treat all information about any Patient/Resident as absolutely confidential.

As a Team Member you are expected to be professional and maintain confidentiality at all times, whether dealing with actual records, projects, or conversations, and abide by the obligations of contractual confidentiality agreements. This includes, but is not limited to conversations, computerized information, and Patient/Resident charts.

As a Team Member, you understand that Patient/Resident information is not to be accessed, altered, removed, discussed with or disclosed to unauthorized persons, either within or outside the institution. Specifically, you further understand that information regarding a Patient's/Resident's identity, diagnosis, or treatment should never be discussed inside or outside of your employment.

Additionally, you understand that as a Team Member you are prohibited from having unauthorized possession of confidential records or disclosing information contained in confidential records to unauthorized persons. You understand that you

are expected not to discuss Patients/Residents or their information with anyone not directly affiliated with the care of the Patient/Resident or in an instructor capacity, including, but not limited to, any social media outlets. You understand that you are prohibited from taking pictures or recording Patients/Residents with any electronic devices. You further understand that you are also prohibited from disclosing confidential information to unauthorized third parties.

You are aware that NRHD has a legal responsibility to protect every Patient's/Resident's privacy and any breach of this trust will result in disciplinary action up to and including termination of employment. You further understand that any violation of this confidentiality requirement will result not only in disciplinary action, but could also result in other appropriate disciplinary and/or legal action being initiated by NRHD.

Finally, you understand it is your responsibility to report any suspected breaches of confidentiality to your supervisor, the Compliance Officer, or the Administrator/CEO.

You will receive initial HIPAA training and education as pertinent to your job duties at North Runnels Hospital District. It is your responsibility to contact the Compliance Officer for assistance with any HIPAA concerns or situations. You will abide by your responsibilities with HIPAA at North Runnels Hospital District.

Conflicts of Interest

Actual or potential conflicts of interest occur when you are in a position to influence a decision that may result in a personal gain for yourself, a relative, or non-related cohabiting persons, as the result of our business dealings. If you have any influence on transactions between NRHD and an organization where one of your relatives is employed, you must immediately notify your supervisor of a potential conflict of interest. Failure to do so may result in corrective action up to and including termination of employment. If in doubt, you should disclose the situation to your supervisor.

Dress Code and Appearance

It is the policy of the NRHD that each Team Member's dress, grooming, and personal hygiene should be appropriate to the work situation. This list of standards is meant to be illustrative, and is not a complete and exclusive list of all possible inappropriate attire or personal appearance.

(1) Team Members are expected at all times to present a professional, casual businesslike image to Patients, Residents, visitors, and the public. Acceptable

personal appearance, grooming and hygiene, like proper maintenance of work areas, is an ongoing requirement of employment with the NRHD. Radical departures from conventional dress or personal grooming and hygiene standards are not permitted. NRHD retains the right and discretion to make the final determination as to whether Team Members are in compliance with this policy

(2) Office workers and any Team Members who have regular contact with the public, including Patients/Residents, must comply with the following personal appearance standards:

(a) Team Members are expected to dress in a manner that is normally acceptable in similar business casual establishments. For example, Team Members should not wear suggestive, overly revealing, or offensive attire, athletic clothing, novelty buttons, baseball hats, and similar items of casual attire that do not present a businesslike appearance. On Fridays only, NRHD Team Members are allowed to wear a NRHD t-shirt or dress blouse. Additionally, office workers are allowed to wear denim jeans on Fridays. Denim jeans must be without holes and tears.

(b) Hair should be clean, combed, and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible regardless of length.

(c) Sideburns, moustaches, and beards should be neatly trimmed.

(d) NRHD permits Team Members to wear jewelry or to display tattoos at the workplace within the following guidelines. Factors that management will consider to determine whether jewelry or tattoos may pose a conflict with the Team Member's job or work environment include:

1. Personal safety of self or others, or damage to company property.
2. Productivity or performance expectations.
3. Offensiveness to co-workers, customers, vendors or others in the workplace based on racial, sexual, religious, ethnic, or other characteristics or attributes of a sensitive or legally protected nature.
4. Corporate or societal norms.
5. Customer complaints.

If management determines a Team Member's jewelry or tattoos may present such a conflict, the Team Member will be encouraged to identify appropriate options, such as removal of excess or offensive jewelry, covering of tattoos, or other reasonable means to resolve the conflict.

(3) Team Members who do not regularly meet the public should follow basic requirements of safety and comfort, but should still be as neat and businesslike as working conditions permit.

(4) Certain Team Members may be required to meet special dress, grooming, and hygiene standards, such as wearing uniforms, depending on the nature of their job. Office workers are allowed to wear colored jeans, Maintenance and IT are allowed to wear denim jeans daily. Department heads may, with the approval of NRHD administration, implement department specific dress and appearance codes.

An environment of mutual cooperation, respect, and fair and consistent treatment for all Team Members is the company's goal. Any questions or issues that arise should be brought to the attention of Human Resources Department.

For a more detailed list of standards please see the most current Dress Code Policy. Failure to adhere to this policy may result in Team Member discipline, up to and including termination of employment.

Visitors and Contractors

In order to assure the safety and security of North Runnels Hospital District Team Members, its visitors, and to insure that only authorized personnel have access to the NRHD facilities, all Team Member visitors and/or contract workers on NRHD property must check in and sign in with the administrative associate. All Team Members and non-Team Members are to comply with all safety rules, regulations, and policies while on hospital property or in NRHD vehicles. Any unauthorized Team Member visitor and/or contract worker may be asked to leave the premises

- All Team Member visitors on hospital property must check in and sign in with the administrative associate. Team Member visitors are prohibited from accessing restricted areas.
- All contract workers will be issued a temporary badge by the appropriate administrative associate, which should be returned to the issuing party upon signing out when leaving. All contract workers must sign the Compliance and Ethics Program/Code of Conduct Acknowledgement form

Badges

NRHD will provide you with a Team Member badge. Once you have been issued a badge, it is your responsibility to secure it and protect it from damage. You will be required to wear all badges that are issued to you for your work duties at North Runnels Hospital. Badges are considered part of your uniform and must be worn appropriately. Specialty badges are not to leave the hospital property. The only badges allowed to leave the hospital are badges that are required to clock in/out of work and that allow entry/exit of the premises. In the event a badge is lost or damaged once it has been issued to you, North Runnels Hospital District will automatically

deduct \$10.00 from your paycheck for each badge. Failure to adhere to this policy may result in Team Member discipline, up to and including termination of employment.

Driver Safety Policy

The safety and well-being of our Team Members is of critical importance to the organization. We have a responsibility to protect other travelers as well as ourselves when on the road. In order to establish parameters to keep our Team Members safe, Team Members who are required to drive on company business at any time are expected to consistently apply and follow the procedures set forth below:

Driver Safety Rules:

- The Team Member must be at least 18 years of age (22 years of age to operate an emergency vehicle), and have a valid driver's license. Any Team Member that will be operating a company owned vehicle or driving a personal vehicle for business will be required to fill out the background check authorization form to allow for a motor vehicle check to be completed. A MVR must be completed BEFORE the Team Member will be authorized to drive. A copy of all documents (valid driver's license, proof of insurance and application disclosure/release) must be provided.
- Company vehicles and personal vehicles driven for business are to be driven by authorized Team Members only. Excluded drivers are prohibited from operating company owned vehicles or operating personal vehicles on company business.
- No unauthorized personnel are allowed to ride in company vehicles.
- Team Members are expected to drive in a safe and responsible manner and to maintain a good driving record.
- All drivers and passengers operating or riding in a company vehicle must wear seat belts, even if air bags are available.
- Use of cell phone, other electronic communications devices or objects while driving should be kept to a minimum. Drivers need to be aware when use of the cell phone or other device is creating a distraction from safe driving and adjust their usage accordingly, including pulling off the road to continue/finish the conversation if needed. Whenever possible, Drivers should complete calls while the vehicle is parked and/or use the phone in a "hands free" mode via a headset or speaker. While driving, attention to the road and safety should always take precedence over conducting business over the phone.
- Engaging in other distracting activities including but not limited to: eating, putting on makeup, reading or changing radio stations or music is also strongly discouraged while driving.

- No driver shall operate a company vehicle when his/her ability to do so safely has been impaired by illness, fatigue, injury, or prescription medication.
- Driving on company business and/or driving a company vehicle while under the influence of intoxicants and other drugs (which could impair driving ability) is forbidden and is sufficient cause for discipline, up to and including termination of employment.
- All State and Local laws must be obeyed. Team Members are expected to follow all driving laws and safety rules such as adherence to posted speed limits and directional signs, use of turn signals and avoidance of confrontational/offensive behavior while driving.
- Team Members should never allow anyone to ride in any part of the vehicle not specifically intended for passenger use and/or any seat that does not include a working seat belt.
- Team Members must promptly report any accident to local law enforcement and the company as soon as possible.
- Team Members are also expected to report any moving or parking violations received while driving on company business and/or in company vehicles.
- Team Members should use good judgment when driving conditions are potentially hazardous and delay/cancel their departure.

Driver Criteria & Administration:

Team Members must have a valid and current Driver's license to operate a NRHD vehicle, or a personal vehicle with current auto insurance while on

company business. Team Members are expected to drive in a safe and responsible manner and to maintain a good driving record. The Human Resources Department is responsible for reviewing records, including accidents, moving violations, etc., to determine if a Team Member's driving record indicates a pattern of unsafe or irresponsible driving, for suspension or revocation of driving privileges.

Criteria that may indicate an unacceptable record includes, but is not limited to:

Emergency Vehicles:

- Tickets
- One (1) moving violation in the last five years
- No violation for DUI or DWI
- No felony conviction
- Accidents - One (1) at fault in the past five years

All other vehicles

- Tickets

- Two (2) moving violation in the last five years
- No violation for DUI or DWI
- No felony conviction
- Accidents - One (1) at fault in the past three years

Motor Vehicle Records (MVR) will be obtained on all drivers prior to employment and no less than every three years. A driving record that fails to meet the criteria stated in this policy, or is considered to be in violation of the intent of this policy by the Human Resources Department, will result in a loss of the privilege of driving a NRHD vehicle or driving on NRHD business.

* Company business is defined as driving at the direction, or for the benefit, of employer. It does not include normal commuting to and from work.

Return of Company Property

NRHD may provide you with certain equipment, badges, computers, tablets, phones, pagers, keys, materials, or written information (such as this handbook, policies, all documentation) to help you do your job. You are responsible for protecting and controlling any property we provide you. All Company property including, but not limited to, keys, laptop computers, tablets, telephones, safety equipment, Company confidential information, badges and all other employer provided items must be returned. If you do not return the company property and/or documentation, destroy or attempt to destroy any of the property/documentation, we may take money from your regular or final paycheck to cover the cost if the law

Exit

Should you decide to leave employment with NRHD, we ask that you provide us with at least 2 weeks' notice for non-exempt or 30 days for exempt Team Members of your departure. Your thoughtfulness will be appreciated. Should you cease to work for the company, you must return all NRHD property immediately. Any monies owed to NRHD will be collected from your final paycheck, per the applicable policy and as applicable by law. Team Members who resign are requested to participate in an exit interview with Human Resources, if possible.

The purpose of this procedure is to review eligibility for benefit continuation and conversion, to ensure that all necessary forms are completed, to collect all company property that may be in the Team Member's possession, and provide Team Members with opportunity to discuss their job related experience.

This handbook is for your general education and assistance. Please keep it available at all times and review it in the event of any future questions. This

handbook supersedes all previously issued handbooks. There are other general rules and regulations necessary for both employees and the proper welfare and care of our patients and residents, which are not contained in this booklet, but in the department specific manuals. When further information is needed, please consult your supervisor and/or the Human Resources Director.

In situations of conflicting policies, any addendums or written policy will supersede the North Runnels Hospital District Employee Handbook.

An Electronic copy of this Handbook can be located on the I drive for all Team Members to view. The I drive will have an updated Handbook along with all policies related to the Handbook and HR.

Amendments

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Holiday Differential:

As part of North Runnels Hospital's effort to promote fair and reasonable wages, a holiday differential premium is paid for all non-exempt Team Members who work on a holiday observed by the District.

- ~~1. Eligible Team Members who work any shift that begins after 12:00 a.m. on a holiday will be paid time and a half of their average hourly rate on that pay period for the entire length of their shift.~~
2. Holiday differential will be paid for qualified, productive hours, but will not apply to non-productive hours (for example, PTO, EIB, Education, Leave and Bereavement).

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Team Members who resign in good standing, complete their required two week or 30-day notice and have at least twelve (12) months of Full Time consecutive service will be paid for accrued PTO at their regular base rate. **At the discretion of the CEO**

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Inspection of Team Member and Personal Property:

- In order to promote a safe, productive, substance abuse-free workplace, to the extent allowed by law, **shall an employee demonstrate impairment or any other probable cause**, we reserve the right to inspect Team Member clothing, purses, personal vehicles on District property, packages, lunch boxes, containers, articles in such areas, and other objects brought onto District property. Any Team Member who does not consent to and fully cooperate with such inspections is subject to corrective action up to and including termination of employment.

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- Team Members are expected to dress in a manner that is normally acceptable in similar business casual establishments. For example, Team Members should not wear suggestive, overly revealing, or offensive attire, athletic clothing, novelty buttons, baseball hats, and similar items of casual attire that do not present a businesslike appearance. On Fridays only, NRHD Team Members are allowed to wear a NRHD t-shirt or dress blouse. Additionally, office workers are allowed to wear ~~blue~~ denim jeans. ~~Blue~~ Denim jeans must be without holes and tears.

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Certain Team Members may be required to meet special dress, grooming, and hygiene standards, such as wearing uniforms, depending on the nature of their job. ~~Office workers are allowed to wear colored jeans, Maintenance and IT are allowed to wear denim jeans daily.~~ Department heads may, with the approval of NRHD administration, implement department specific dress and appearance codes