



Performance Driven. Patient Oriented.

Section 9: **Company Policies & Standards**
Policy:
Applies To: All Employees
Effective Date: July 1, 2016

Company Policies & Standards

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Standards of Job Conduct

The Company makes every attempt to hire individuals who demonstrate mature and responsible characteristics. Individual integrity with a sincere desire to do a good job is a basic expectation for all employees. Employees with these characteristics normally do not require detailed rules and regulations to tell them how to behave in the workplace.

If your work conduct or job performance falls short of the expected standard, Managers will normally counsel you by identifying the performance or conduct deficiency and present or reestablish the desired work standard. The performance and conduct standards for all employees are outlined in individual job descriptions as well as this Handbook.

You are responsible for making necessary performance or conduct changes to maintain work standards. If you do not wish, or are unable to change the substandard performance or conduct, your employment will be terminated.

Conduct that is universally understood as being wrong or inappropriate in the workplace will not be tolerated. Violating such universally understood standards may place your job in immediate jeopardy and you may not be granted any warning through the progressive discipline standards.



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Examples of inappropriate actions include, but are not limited to:

- Acts of theft
- Deception
- Dishonesty
- Violence
- Threats of violence
- Sexual, racial or other harassment
- Possession of drugs or weapons on Company premises
- Misuse of alcohol in the workplace.

If you commit such acts, you will be subject to discipline action, up to and including termination.

Corrective Action Program

The Company has a corrective action program is used as a guide for Managers and employees to address any conduct or performance deficiencies we believe are correctable. We believe that the steps outlined in this program are fair and concise and allow us to effectively address and document situations.

Corrective action is a process by which actions are applied in several steps of increasing severity, culminating, if necessary, in termination of employment. Each element of the corrective action program is designed to stimulate a change in the employee's performance and/or behavior with coaching for continued successful employment. Regardless of the steps/elements of the corrective action program, *the Company reserves the right to skip or omit any of the possible elements as determined in its sole discretion and as determined by the individual circumstances of the situation.*

Each incident or violation will be reviewed on a case-by-case basis. There is no requirement for a specific number of previous violations to occur prior to taking a more severe action.

Absenteeism & Tardiness

Reliable, consistent attendance is an essential function of every position and is expected of all employees to maintain the Company's ongoing business and provide a high level of customer service. You have the responsibility for maintaining regular attendance. The Company must be able to count on you to be punctual and to do your job. You are expected to be at your work place on time each day. Absenteeism or tardiness, even for good reasons, is disruptive to our operations and interferes with our ability to satisfy our customers' needs.

If you are going to be late or absent from work for any reason, you should notify and communicate with your Manager as far in advance as possible so that proper arrangements can be made to handle your work during your absence. Some situations may arise in which prior notice cannot be given. In those circumstances, you are expected to notify your Manager by your scheduled starting time on the day you are absent.



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If you are absent from work for three (3) consecutive work days and do not notify your immediate Manager, your employment is considered to be voluntarily terminated. Employees who cannot reasonably justify an unexcused absence for two (2) days or less from work upon return will be subject to disciplinary actions, up to and including termination of employment.

Right to Search

To protect Company property, trade secrets and customer information, the Company reserves the right to inspect all personal items on Company property in accordance with applicable laws. If you wish to remove any Company property from the premises, you must obtain written permission in advance from your Manager. Searches will be done in accordance with applicable laws. *Theft of product and/or property is grounds for immediate termination of employment.*

Outside Employment

Your activities away from the job must not compromise the Company's interests or adversely affect job performance and/or your ability to fulfill all responsibilities to the Company. Full-time employees are permitted, but not encouraged, to engage in outside employment or other work activity. Any outside employment must comply with any state or industry regulation.

You are cautioned to carefully consider the demands that additional work activity will create before seeking or accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours. If outside work activity causes or contributes to job-related problems, such employment must be discontinued. If necessary, normal disciplinary procedures will be followed to deal with the specific problem. The Company will be particularly concerned about outside employment that:

- Will reduce your efficiency in working for the Company, or
- Involves working for an organization that may present a conflict of interest with the Company

You are prohibited from engaging in any activity that compromises the Company's brand, trade secrets reputation or image or creates a conflict of interest. This prohibition includes the unauthorized use of the Company's tools, equipment or resources. In addition, you are not to conduct an outside business during paid work time.

If you have accepted outside employment, you are not eligible for paid or unpaid excused leaves of absence when the absence is used to work on the outside job or is needed as a result of an injury sustained on the second job. Fraudulent use of paid-time-off will be subject to disciplinary action, up to and including termination of employment.

Personal Relations in the Workplace

It is the Company's standard to avoid the hiring, transfer, or promotion of relatives of employees, or those who share the same household, into situations where favoritism or conflicts of interest might develop or exist. A relative is defined as a spouse, domestic partner, child, parent, sibling, grandparent, grandchild, or corresponding in-law or "step" relation. The Company will exercise sound business judgment in the placement of related employees in accordance with the following guidelines:



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- No employee is permitted work within the “chain of command” of a relative such that the work responsibilities, salary, career progress, or management-related decisions of one relative could be influenced by the other relative.
- No relatives are permitted to work in any position in which the Company believes an inherent conflict of interest may exist.

If a personal relationship develops, the employee who is in the senior position must immediately inform his/her direct manager. The employees involved will be given the opportunity to recommend who is to be transferred to another available position, assuming business needs permit. However, the Company reserves the right to make the final decision. If the employees do not make the recommendation within one week (seven calendar days), management will decide who is to be transferred or, if necessary, terminated from employment without input from the employees involved.

The Company reserves the right to take prompt action if an actual or potential conflict of interest rises. This policy is subject to and will be applied in accordance with requirements and prohibitions of state and local laws.

Personal Telephone Calls & Use of Personal Devices

The Company phones are for business purposes. Occasionally personal telephone calls may have to be received or made during business hours. A limited number of such calls will be permitted, provided they are handled in such a way as to not interfere with your job responsibilities. Try to keep such calls brief and be ready to interrupt them instantly to handle incoming calls or other office business. The use of individual personal mobile phones or devices for calls, emails, and texting during the workday also must be limited in frequency and duration.

No Solicitation/No Distribution Policy

In the interest of maintaining a positive working environment, the Company limits employee solicitations and the distribution or posting of literature to pre-approved activities, such as Company-sponsored and approved charitable campaigns. Solicitation and distribution of written, printed, or electronic literature or other materials of any kind by non-employees is prohibited at all times on Company property, including parking lots and break rooms, unless otherwise preapproved by the Company for a sponsored activity.

You may not solicit another employee for any purpose (including commercial sale of items for the employee’s personal gain or profit) during either employee’s working time. Invitations of a purely personal nature, such as invitations to parties, showers, etc., are not prohibited, but these invitations must not be sent using email and Company computer systems.

Social Media Policy

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 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 the Company, as well as any other form of electronic communication. The same principles and guidelines found in the Company’s policies and basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, you should consider some of the risks and rewards that are involved. You should conduct yourself in a manner



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that is consistent with the Company's policies and brand. On-line conduct should not negatively impact the Company and/or the Company's relationships with its customers, employees, or vendors.

When applicable, protected concerted activity is not prohibited by this policy. You should remain aware that you can be legally liable for what is written or posted online. The Company reserves the right to discipline employees, up to and including termination of employment, for any commentary, content or images that are pornographic, harassing, and libelous or for anything that creates a hostile work environment or could impair the Company's reputation of brand image.

Know and follow the rules

You should carefully read these guidelines, the 'Use of Personal Computers, Communication and Technology Systems Policy' and the 'Discrimination, Harassment & Retaliation Policy', and ensure your internal postings are consistent with these guidelines and policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject employees to disciplinary action, up to and including termination of employment.

Be respectful

You should always be professional and courteous to fellow employees, customers, patients, suppliers or people who work on behalf of the Company. You should also keep in mind that you are more likely to resolve work related complaints by speaking directly with employees or by utilizing the Company's Open Communication Policy than by posting complaints to a social media outlet. Nevertheless, if an employee decides to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage others or might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment.

Be honest and accurate

You should always be honest and accurate when posting information or news, and if you make a mistake, correct it quickly. You should be open about any previous posts that have been altered. You should remember that the Internet archives almost everything; therefore, even deleted postings can be searched. You should never post any information or rumors that they know to be false about the Company, fellow employees, members, customers, suppliers, or people working on behalf of the Company or competitors.

Post only appropriate and respectful content

You are required to maintain the confidentiality of the Company's trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. You should not post internal reports, policies, procedures or other internal business-related confidential communications.

You should not create a link from your own blog, website or other social networking site to the Company's website without written consent from the CEO and without identifying yourself as an employee of the Company.



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You should only express your personal opinions. You should never represent yourself as a spokesperson for the Company. If the Company is a subject of the content created, you must be clear and open about the fact that you are an employee and make it clear that their views do not represent those of the Company, its customers and suppliers. If you do publish a blog or post online related to the work they do or subjects associated with the Company, it must be made clear that they are not speaking on behalf of the Company. For example, a disclaimer could state “The postings on this site are my own and do not necessarily reflect the views of the Company.”

Using social media at work

You are to refrain from using social media while on work time or on equipment the Company provides, unless it is work-related as authorized by your Manager or consistent with the Company’s ‘Email Internet and Computer and Usage’ Policy. You are not to use their Company email address to register on social networks, list services, rewards, contests, sweepstakes websites, blogs or other online tools utilized for personal use.

Retaliation is prohibited

The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee or Manager who retaliates against another for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination of employment.

Media Contacts

You should not speak to the media on the Company’s behalf without contacting the Company’s CEO. All media inquiries should be directed to CEO.

Bulletin Boards

Bulletin boards may be present at a facility, and are to be used solely to post information approved by management regarding Company policies, governmental regulations, and other matters of concern to all employees related to employment. Please check the bulletin boards regularly so that you will be familiar with the posted information. The information posted on all bulletin boards, with the exception of regulatory postings, must be reviewed and approved in advance by Human Resources and/or your Manager.

Emergency Closings

At times, emergencies such as severe weather, fires, power failure, or other natural or man-made disasters can disrupt Company operations. In extreme cases, these circumstances may require the closing of a work facility. When the Company makes the decision to close the facility after the workday or shift has begun, you will receive notification from your Manager.

The Use of Company Equipment

Equipment Issue

The Company may provide equipment such as computers, phones, sales support and communication equipment, uniforms, etc. You are expected to care for all equipment as if it were your own. If equipment is damaged or lost through negligence or careless handling, you may be required to pay some or all of the cost of replacement or repair. Serious or excessive carelessness is costly to the Company and may become the basis for termination.



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Return of Equipment

All equipment, as designated, is the property of the Company and it is expected to be returned upon request or at termination. The value of lost, stolen or unreturned property may be deducted from your paychecks as allowed by law.

Personal Computers, Communication & Technology Systems

The equipment, servers, networks, and/or services by which the Company's voicemail, electronic mail, text messaging, instant messaging, telephone and/or Internet are accessed are the property of the Company and are provided to employees to enhance their ability to perform their job functions and to carry out the Company's business. You are obligated to conduct business by voicemail, e-mail, telephone and on the Internet in a responsible and professional manner.

As a condition of providing these services to you, we permit you to use voicemail, email, telephone and the Internet:

- To communicate with fellow employees, clients, vendors, and/or others regarding work-related matters and matters within a employee's assigned duties;
- To acquire information related to, or designed to facilitate the performance of regular duties; and
- To facilitate the performance of any task or performance of any task or project in a manner approved by the Company.

Messages sent from the Company's computer system bears the Company's address, and thus reflect upon the Company. Please be advised that when using voicemail, e-mail, telephone or the Internet, you are prohibited from the following:

- Sending, receiving, printing, or otherwise improperly disseminating proprietary data, trade secrets, and/or privilege information of the Company.
- Sending chain letters or engaging in any other activity in violation of federal, state, or local law.
- Operating a business or soliciting money for personal gain.
- Downloading, sending, receiving, or storing material that is fraudulent, sexually explicit, profane, obscene, harassing or otherwise unlawful, offensive (such as offensive material concerning race, color, national origin, gender/sex (including pregnancy, age, religion, creed, sexual orientation, disability or handicap, genetic information, family or marital status, veteran or service member status, and/or any other category protected by federal, state, and/or local laws), or that violate the Company's equal employment opportunity policy and its policy against discrimination, harassment and retaliation. Employees encountering or receiving this kind of material should immediately report the incident to the IT Department. The Company's 'Equal Employment Opportunity' policy and its 'Policy Against Discrimination, Harassment and Retaliation' apply fully to the use of the Internet and email and any violation of those policies is grounds for disciplinary action, up to and including termination.
- Illegally copying material protected under copyright law or making that material available to others for copying. You are responsible for complying with copyright laws and applicable licenses that may apply to software, files, graphics, documents, messages, and other material you wish to download or copy. You may not agree to a license or to download any material for which a registration fee is charged without first obtaining the express written permission from the Company.

Files obtained from sources outside the Company, including disks brought from home; files downloaded from the Internet, newsgroups, bulletin boards, or other online services; files attached to e-mail; and files provided by clients,



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and/or vendors may contain dangerous computer viruses that may damage the Company's computer network. You should use caution when downloading files from the Internet or using disks or flash drives from non-Company sources. Prior to downloading files from the Internet or installing CD-ROM's and flash drives, you should consult with your Manager. Only authorized employees are permitted to install software on the Company's computer system. If you suspect that a virus has been introduced into the Company's computer system, notify your Manager or the IT Department immediately.

The Company has the right, but not the duty, to monitor any and all aspects of its computer and technology systems, including, but not limited to, monitoring sites visited by employees on the Internet, monitoring chat groups and news groups, reviewing material downloaded or uploaded by users to the Internet, and reviewing e-mails, text messages, and instant messages sent and received by users. The Company maintains the right-to-block access, monitor and filter traffic, and otherwise verify that a employee's use of voicemail, e-mail, telephones, PEDs, PDAs and the Internet complies with this policy.

As noted above, the equipment, servers, networks, and/or services by which the Company's voicemail, electronic mail, telephone, text messaging, instant messaging and/or Internet are accessed are the property of the Company. *You should not have an expectation of privacy in anything they create, store, send, or receive on the computer system, PDAs, telephones, networks, or other electronic or technology systems of the Company.* You should not consider any matter created, received, or sent via voicemail, e-mail, telephone or the Internet to be personal or private. Any violations of this policy subject employees to disciplinary action, up to and including termination.

The use of Company's letterhead or postage for personal correspondence is not allowed.

Personal Appearance

Dress Code & Guidelines

The Company expects you to dress appropriately for your position. We provide a professional work environment where clients, customers and business associates frequently visit. During business hours and when representing the Company, you are expected to present a clean, neat, and tasteful appearance. You are expected to adhere to both grooming and dress standards that are acceptable to their position and demonstrate respect for the work environment. Modest business casual is generally appropriate attire for all employees.

Professional appearance extends to hairstyle, makeup, jewelry, and other details contributing to the total appearance. It is unacceptable for a employee to wear jewelry/studs in pierced body parts (other than two per ear) that are visible to the public in general. Tattoos should also be covered whenever possible.

You are expected to maintain personal cleanliness and good grooming habits that are not offensive to other employees, hospital clients, patients, and all outside contracts. You should check with your Manager or Human Resources if you have any questions on what is acceptable or appropriate dress.

Each hospital and their business office employees are our customers and we need to respect that we are their vendor. In accordance with this, when working or visiting a hospital, you must EXCEED the attire followed in the business office, regardless of the Company attire outlined below. Business Casual Dress with closed-toe shoes is the minimum



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standard that you should follow. Failure to meet hospital dress code expectations may lead to disciplinary action, up to and including termination.

The following guidelines are appropriate during business hours in an HCFS office and are the minimum standard you should follow when visiting a hospital:

Business casual attire is expected and required for all employees. Denim jeans (without tears or holes) are only allowed with special events and/or with the approval from the CEO, with a business casual shirt. If an employee is attending a business meeting where professional business attire is required, then the employee should dress appropriately.

General guidelines for office and sales business attire and workplace appearance:

- Clean, neat and well groomed
- Men with facial hair must be well-groomed and of conservative length and style
- Women are to be well groomed, wear minimal jewelry and make up applied in a conservative manner
- Properly fitted clothing
- No undergarment straps showing
- Appropriate coverage of shoulders and upper torso areas
- Dress shirts, properly pressed or a golf style shirt
- Dresses and skirts must be no higher than two (2) inches above the knee and fit allowing for freedom of movement
- Dress shoes (with socks for men) and conducive to job responsibilities and work environment for appearance and safety reasons
- Pants must be of an appropriate fit to allow freedom of movement and must not be form fitting; No Capri pants
- No tank tops or shorts/blouses that reveal the midriff
- No loose or dragging clothing that could create a safety hazard
- No beachwear, sweat suits, workout clothing
- No flip flops or beach sandals
- Clothing insignia is restricted to Company, current supplier, or the clothing manufacturer's logo
- No visible tattoos

It is recommended for you to dress professionally when you are conducting or participating in meetings at the customer's location. Professional is defined as:

- Business suit for men
- A dress or business suit for women
- Closed toe shoes

Employment Records

The Company maintains a personnel file on each employee. Personnel files are official Company documents, records and property and contain hiring, personal, and job-performance information. You may see information that is kept in



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your own personnel file if you wish, but you cannot remove or alter any documents in the personnel file. You may request and receive copies of documents you have signed. You are entitled to read the contents of your personnel files at any time. Please contact Human Resources to make arrangements for you to view your file.

Reporting Change in Status/Emergency Information

Your records must be kept up to date in case the Company must notify one of your designated emergency contacts in the event of an emergency situation. In order to maintain updated records, it is imperative that you keep us informed of any changes to the following personal information:

- Address & Telephone Number
- Name Change
- Marital Status
- Births or Deaths in Your Immediate Family
- Insurance Beneficiary

We need to know any change to this information to ensure that the appropriate group insurance options and records are updated. You are expected to update most information through the HRIS or by contacting Human Resources for the appropriate form(s).

Release of Personal Information/References

The Company occasionally receives requests to verify employment and salary. All employees, whether management or not, must direct all inquiries about personnel to Human Resources. When such a request is made, Human Resources will only verify your position title, dates of employment, and current work status. We only release salary information if you provide written consent. Managers are responsible for ensuring that employees within their department comply with this policy.

Business Records

All personnel and business records, written and/or electronic, that are maintained by the Company are Company property and are subject to review or inspection by management at any time without advance notice.

Confidentiality of Customer Information

You may, by virtue of your employment with the Company, obtain access to sensitive, confidential, restricted and proprietary information about the Company, including but not limited to financial records, customer or vendor records and files, referral or mailing lists, credit card numbers and similar documents. Such confidential information shall be used solely by employees in the performance of their job duties for the Company and shall not be used in any other manner whatsoever. You shall not, without the prior written consent of the Company, use, disclose, divulge, or publish to others any such confidential information acquired in the course of your employment. Such confidential information is the exclusive property of the Company and under no circumstances whatsoever shall you have rights to use, disclose or publish to others such confidential information for any unauthorized purpose.

Unauthorized use or disclosure of confidential information may result in disciplinary action, up to and including immediate termination.



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If employment ends, you must return any and all confidential information, including all copies of such documents, including electronic copies, prepared or produced in connection with your employment with the Company pertaining to the Company's business or your services for the Company, whether made or compiled by you or furnished to you in connection with such services to the Company.

Gift Receipt

Employees must abide by the following no-gift policy requirements to ensure there are no conflicts of interest between our business relationships with our hospital customers, as well as ensuring adherence to Internal Revenue Service code and payroll laws.

Gifts from External Vendors

Gifts offered by vendors, suppliers, customers, potential employees, potential vendors & suppliers, or any other individual or organization, no matter the value, should not be accepted by you either on or off work premises, regardless of the size or value. This no-gift policy includes any business courtesy offered such as a product discount or any other benefit if the benefit is not extended to all employees. Any exceptions to this no-gift policy must be approved by the President of the Company in advance.

Exceptions

- Gifts such as t-shirts, pens, trade show bags and all other tokens you obtain, as members of the public, at events such as conferences, training events, seminars, and trade shows, are offered equally to all members of the public attending the event, exhibitor trade show floor locations, press events, and parties funded by conference or event sponsors.
- Cards, thank you notes, certificates, or other written forms of thanks and recognition.
- Foods, beverages, and moderately priced meals or tickets to local events supplied by and also attended by current customers, partners, and vendors or suppliers in the interest of building positive business relationships.
- Moderately priced entertainment which is provided as part of a "working" meeting or session to benefit and advance positive working relationships and company interests; these activities are expected to be reciprocated by our Company in turn.

Gifts from HCFS Management

Directors may work with their Managers to provide appreciation gifts for the employees under their supervision, but must stay within their allocated monthly budget. Directors should reference the following parameters with this business practice:

- If a gift is less than \$25, then the Director should utilize their Corporate Credit Card for the purchase.
- If a gift is more than \$25, then the Director must partner with the Finance Department to ensure this gift is processed as taxable income to the employee, and this monetary gift will be applied to the employee's timesheet to ensure applicable taxes are deducted in accordance with IRS and payroll laws.



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Travel & Expense Reimbursement

The Company will reimburse employees traveling on authorized Company business for reasonable and necessary incurred expenses subject to adherence to the guidelines in this Policy.

Allowable Expenses:

- a) Travel by personal vehicle will be reimbursed at a per mile rate as allowed by the IRS
- b) Parking expenses
- c) Travel by airplane will be reimbursed at coach fare
- d) Bus or train will be reimbursed on actual expenses
- e) Car rental may be approved whenever necessary
- f) Taxi fare is authorized whenever necessary
- g) Hotels will be reimbursed according to the expense incurred

Certain expenses incurred while traveling are personal in nature and will not be reimbursed. Examples are as follows:

- a) Alcohol
- b) Laundry
- c) Parking or Traffic Violations
- d) In-Room Movies
- e) Room Service expenses exceeding our daily limit

EXPENSE REIMBURSEMENT

Any out-of-pocket work expense receipts should be submitted monthly and should follow the below guidelines.

- a) The employee incurring the expense must submit Expenses through the HR/Payroll System
- b) The IRS requires substantiation of travel and entertainment expenditures. The amount, date, location, business purpose, and the business relationship of the person entertained (if applicable) needs to be attached or included on your Expense
- c) Detailed receipts itemizing all charges (not summary) must be attached to the submitted Expense
- d) All expenses are encouraged to be submitted on a weekly basis, and are required to be submitted within **45 days of the expense**

Your Manager will be expected to approve your expense(s) each pay period for payment. Any item may be disallowed or modified, if the expense is not reasonable or standard.

CORPORATE CREDIT CARD

The Company Credit Card receipts are encouraged to be submitted on a weekly basis, and are required to be submitted by the 2nd business day of the following month. You should follow the below guidelines:

- a) Detailed receipts itemizing all charges (not summary) must be scanned and emailed to the Accounts Payable Department
- b) On the itemized receipt, list the business purpose and all names included on the expense
- c) The Card is not for personal use, but if incurred, the amount will be deducted from the your paycheck; you are subject to disciplinary action if a pattern of personal use continues
- d) Failure to provide a detailed receipt more than three (3) times each fiscal year will result in the Company deducting the undocumented expense amount from your next paycheck until a receipt is provided.
- e) Before a business trip, you choose either to claim travel per diem OR use the Corporate Credit Card.



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AIR TRAVEL

When air travel is required, the following rules and guidelines should be applied:

- a) The Frisco Travel Coordinator should make all travel arrangements.
- b) Air travel arrangements will only be made for the best available fare. First Class will not be allowed and will not be paid or reimbursed by the Company.
- c) Air travel must be booked in advance whenever possible. The Frisco Travel Coordinator should have your air travel request a minimum of two (2) weeks in advance, and four (4) weeks is preferred. Any air travel booked inside the four (4) week timeframe must include justification for approval.
- d) Any travel changes must be approved by the Frisco Travel Coordinator when the change is incurring additional costs of significance. If you need a last minute flight cancellation, then please contact the airline directly to avoid financial penalties.
- e) Weekend travel may be required to minimize the cost of a trip.
- f) Exempt employees traveling to and from a worksite is considered Company work time. Non-exempt employees should clock in at airport arrival and should clock out when they arrive at the destination and/or when their work responsibilities end for the day.
- g) Employees may be required to drive (instead of flying) for short trips or if several employees are going to the same place.

GROUND TRANSPORTATION:

The primary purpose of ground travel should be to arrive at the business destination as quickly and inexpensively as possible. Employees should keep the following in mind:

- a) Employees will be expected to use their own automobiles when the mileage to the location is less than 200 miles one way. The Frisco Travel Coordinator will evaluate what is most economical to a location over 150 miles one way.
- b) When appropriate, arrange the use of an Airport Shuttle or Taxi Service instead of parking your personal vehicle at the airport. When airport parking is required, always use extended parking facilities.
- c) Employees will be required to share the use of taxis and rental automobiles whenever possible.
- d) Automobiles should be rented only when the cost, including parking, will be cheaper than using taxis or other ground transportation.
- e) Standard size cars will be reserved. If you require an upgraded car or navigation system, then approval will need to be obtained by the Frisco Travel Coordinator or these costs will be paid by you personally.
- f) All rental cars should be returned with a full tank of gas. The pre-paid gas option should not be utilized under any circumstance. If you elect the pre-paid gas option, then the charges associated with this option will be deducted from your next paycheck.
- g) Insurance should be declined when the car is being used solely for business. Your personal liability insurance and the company's physical damage coverage will be coverage during these trips. If you elect insurance, then the charges associated with this insurance will be deducted from your next paycheck.
- h) When you use your own car for business purposes, you will be entitled to a mileage allowance at a fixed per mile rate as allowed by the IRS. This rate may be adjusted from time to time as dictated by IRS regulations. You are expected to purchase gas or claim mileage, but not both.
- i) When two or more people travel in one private vehicle, the person supplying the vehicle shall receive mileage reimbursement.
- j) All rental cars should only be booked for an employee for business purposes. Personal car rentals must be completed outside of the Company program.



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Section 9: **Company Policies & Standards**
Policy:
Applies To: All Employees
Effective Date: July 1, 2016

- k) Employees should utilize a bus or a shuttle service to a hotel as opposed to Taxi Service upon arrival (when available). Hotels often have airport pick-up service at no charge.
- l) No reimbursement is allowed for the normal commute to/from work and home. The normal commute distance should be deducted from mileage to be reported for reimbursement when traveling to locations other than your normal place of business.
- m) Reimbursement for tolls incurred during your normal commute to/from work and home (your 'home base') should not be submitted. Toll reimbursement is applicable when you drive to a work location that is different from your work 'home base'. Receipts must be provided with the proper hospital allocation to receive the toll reimbursement for the day.
- n) Hotels become a traveling employees "home base" in accordance with IRS guidelines, so reimbursement is only applicable when the commute between a traveling employee's hotel and the hospital exceeds their normal commute to work.
- o) Mileage reimbursement should be submitted on an HCFS Expense Form and should include "To," "From," "Business Purposes," and the number of miles traveled, and this reimbursement should be uploaded in the Payroll System.
- p) When you deviate from the most direct route, the additional cost will be borne by you, absent special circumstances.

HOTELS

Lodging costs will vary depending upon the traveled area. Regardless of the area, all expenditures must be reasonable. The Frisco Travel Coordinator will make hotel arrangements. Employees should use their best judgment and obtain their Manager's approval when handling non-routine situations or last minute travel. During check-in, employees should present their Corporate Credit Card for payment, and should always verify that corporate or other available discount rates are utilized.

TRAVEL ALLOWANCE

Employees traveling overnight on Company business are eligible for a travel allowance of \$30.00 per day in lieu of submitting daily expenses. All traveling employees will be required to designate if they are going to request the Travel Allowance Reimbursement in lieu of charging meals on the Company Credit Card. Traveling employees should not be able to change this option during a business trip and must obtain approval from the Accounting Department in advance to make a change. Employees traveling and not staying overnight on Company business will be given a half day travel allowance of \$15.00 subject to approval of management. Employees traveling in California will receive a travel allowance amount of \$25.00 for half day travel and \$50.00 for full day travel.

All travelers must request separate checks when traveling with other employees to claim meal expenses under the Travel Allowance.

ENTERTAINMENT

The cost of entertaining clients and third parties who do business with the Company is considered a legitimate business expense. In these situations, the rules established by the IRS will always be followed. You will be expected to obtain detailed receipts, indicate who was entertained and for what business purpose, and submit your Expense through the HRIS. Expenditures should be reasonable and appropriate to the circumstances, and purchased only for entertaining clients and not solely for personal use.



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TELEPHONE COSTS

When placing long distance business calls, a Company work phone or mobile phone should be used. Employees should avoid making calls from their hotel rooms to avoid the additional markup.