

LOYOLA ENTERPRISES, INC.

POLICIES & PROCEDURES

CLASSIFICATION: Employment Practices

Number: I-6

Effective Date: 06-17-98

SUBJECT: Drug-Free Workplace/Workforce

Revision Date: 07-09-09

It is LOYOLA'S objective to ensure that all LOYOLA entities maintain a drug-free workplace and workforce. The unlawful manufacture, distribution, dispensing, possession or use of controlled substances by employees on LOYOLA or assigned premises is prohibited. Offenders of this policy will be subject to Company sanctions, up to and including termination.

As a Federal contractor, LOYOLA complies with contractual obligations based on various laws and regulations. This policy and its implementing procedures serve to define and direct fulfillment of these obligations as they relate to the maintenance of a drug-free workplace and workforce.

LOYOLA recognizes the destructive effects in the workplace of unlawful controlled substances and their use by employees. In promulgating this drug-free workplace/workforce policy, LOYOLA affirms its conviction that the program will be cost-effective and beneficial for the Company as a whole.

DRUG-FREE WORKPLACE NOTE: THIS PROCEDURE APPLIES TO ALL LOYOLA PERSONNEL NOT WORKING IN SENSITIVE POSITIONS.

PURPOSE: To provide instructions for implementing LOYOLA policy, in support of Public Law 100-440, which requires government contractors to maintain a Drug-Free Workplace.

APPLICABILITY: This procedure applies to all personnel of LOYOLA at all levels, as well as to subcontractors, Labor Hour Contractors, independent consultant service providers, and temporary employees working at LOYOLA facilities.

RESPONSIBILITY:

- A. Executives, managers, and supervisors are responsible for ensuring that this procedure is carried out in their respective areas of authority.
- B. Every employee is responsible for his/her own adherence to the provisions of this Policy/Procedure.
- C. The Human Resources Department is responsible for review and approval/disapproval of employee assistance arrangements at all locations.

PROCEDURE:

- A. Condition of Employment. Each employee must certify his/her understanding of this Policy and Procedure by signing the "Drug Awareness Policy Statement". (See Attached). The signer undertakes to:
 - 1. Abide by the provisions of this Policy and Procedure.
 - 2. Apprise his/her supervisor (immediate supervisor or another higher level supervisor in the same line of supervision) of any suspected or known infractions of this procedure.

3. Respect the confidentiality of information learned concerning drug testing of other persons.
 4. If convicted of a drug offense, inform his/her supervisor or the Human Resource Department within five days.
- B. Counseling Resource for Employees. Employees in need of counseling and who are enrolled under LOYOLA'S health insurance should contact the customer service department of the health insurance company to be referred to the appropriate mental health provider.
1. Self referral. An employee who perceives that he/she has drug abuse problems may make personal arrangements for a consultation. As necessary, the counselors, who are independent of LOYOLA, may make referrals for assistance which may or may not be covered under group health insurance. If not covered, payment for further required assistance is the responsibility of the employee. The counselor will keep this information in confidence; no notification will be given to LOYOLA, except for periodic reports showing number and type of services provided.
 2. Company referral. If a supervisor/manager perceives a possible drug problem, he/she must immediately notify the appropriate Company officer. Information must be limited to local line managers with need to know. This official, if in agreement that there is adequate reason to suspect a drug problem, will consult with the Human Resource Department about intervention with the employee. Supervisors will be trained in drug symptom recognition. Intervention may be handled by the Human Resource Department or a designee. The employee will be informed that:
 - The Company is concerned about an apparent problem which is interfering with his/her performance.
 - The Company recommends counseling and positive action to correct the problem.
 - The Company requires, as a condition of continued employment, that the employee contact the LOYOLA Health Insurance representative to make further arrangements for counseling and referral to treatment if necessary.
 - If the employee fails to accept counseling or take corrective action within a specified time, his employment will be at risk. The intervening official should leave no doubt that termination is a probable outcome if the problem continues uncorrected.
 3. Disciplinary Action vs. Employee Assistance. Referral to the Employee Assistance Program should not be made in lieu of regular disciplinary action. Violations of Company policies including the Ethics Policy must continue to be dealt with in the usual manner. Further details about the Employee Assistance Program are available separately.
- C. Sanctions.
1. Termination. The employee may be terminated in, at least, the following circumstances:
 - Confirmed drug abuse and refusal to accept counseling or seek rehabilitation.
 - Failure to be rehabilitated after a reasonable period of assistance and suspension.
 - Manufacture of drugs or drug trafficking, possession or use of illegal drugs on Company premises.
 - Conviction of a drug offense, whether the offense occurred on Company premises or elsewhere.
 2. Notification to Employer. If an employee is convicted of a criminal drug offense, the employee is required by law to inform the employer within 5 days.
- D. Non-LOYOLA Personnel. While independent contractors or sales/service vendors are operating on LOYOLA premises, they are subject to compliance with provisions of this Policy and Procedure.

If they are found in violation, they may be escorted from the Company's premises and denied entrance in the future.

- E. Employees at non-LOYOLA locations. LOYOLA employees working at non-LOYOLA locations are subject to the provisions of this Policy and Procedure and are expected to also comply with related regulations at the host site, whether it is that of a customer or another company with which LOYOLA has a business relationship.
- F. Training of Personnel.
 - 1. All employees will be notified of this Policy and Procedure and copies will be made available for required review.
 - 2. Supervisors and managers will be apprised of their responsibilities and will be trained or briefed by the Human Resource Department on the content of this procedure and on recognition of symptoms of drug abuse.
 - 3. Management and supervisory personnel will brief employees as necessary on the hazards and likely employment consequences of drug abuse. Employees will be further apprised of the hazards of drug use by occasional memorandums, written notice, and articles in company newsletters.

DRUG-FREE WORKFORCE NOTE: THIS PROCEDURE APPLIES TO ALL LOYOLA PERSONNEL WORKING IN SENSITIVE POSITIONS UNDER DOD CONTRACTS.

PURPOSE: To provide instructions for implementing LOYOLA policy, in support of DoD interim rule, 48CFR, Parts 223 and 252, 28 Sept 1988 (Drug-Free Workplace.)

APPLICABILITY: This procedure applies to Personnel with DoD clearances and those working in other positions designated "sensitive."

RESPONSIBILITY:

- A. Executives, managers, and supervisors are responsible for ensuring that this procedure is carried out in their respective areas of authority.
- B. Each employee in a "sensitive" position or with a DoD clearance is responsible for his/her own adherence to the provisions of this Policy and Procedure.
- C. The Human Resources Department is responsible for review and approval/disapproval of employee assistance arrangements at all locations.

PROCEDURE:

- A. Conditions of Employment. Each employee must certify his/her understanding of this Policy and Procedure by signing the "Drug Awareness Policy Statement". (See Attached) The same applies to each Labor Hour Contractor and independent consultant. The signer undertakes to:
 - 1. Abide by the provisions of this Policy and Procedure.
 - 2. Appraise his/her supervisor (immediate supervisor or another high level supervisor in the same line of supervision) of any suspected or known infraction of this procedure.
 - 3. If directed, submit to drug testing by a certified laboratory in compliance with this procedure and applicable law.
 - 4. Respect the confidentiality of information learned concerning drug testing of other persons.

5. If convicted of a drug offense, inform his/her supervisor or the Director of Human Resources within five (5) days.
- B. Drug Tests. DoD Interim Rule, September 1988, Sub-part 52.223-7500, Drug-Free Workforce, states in part: The Contractor shall establish a program that provides for testing of any use of illegal drugs by employees in the sensitive positions. (Pre-employment testing is permitted at the discretion of the employer.)
1. Pre-employment testing. If directed, new employees may be required to undergo drug testing as a condition of employment.
 2. Random testing. At the discretion of LOYOLA management, random testing may be directed for specific facilities or all locations.
 3. Specific Testing. Testing of designated individuals may be directed upon reasonable suspicion of drug use or as follow-up to counseling or rehabilitation for illegal drug use.
 4. Refusal to submit to a required drug test, or refusal to certify willingness to comply with the LOYOLA Drug-Free Policy, depending upon the circumstances, may be grounds for dismissal, since assignment of some tasks could be precluded and this would nullify LOYOLA'S ability to certify a drug-free workplace and workforce as required by law.
 5. Drug Testing Process:
 - a. Drug Testing will be coordinated by the Human Resource Department. In no event will employees be tested without prior knowledge and consent of the President.
 - b. Arrangements have been made with two laboratories approved by the National Institute on Drug Abuse (NIDA) to conduct urine specimen testing for LOYOLA. The primary testing facility will be conducted at a LOYOLA approved lab.
 - c. Urine specimens will be produced in private under controlled conditions (direct observation is not required), either at approved laboratories or collection points.
 - d. Procedures will ensure that the employee remains present to witness the sealing of the specimen container and cosigns the seal. Reliable chain-of-custody documentation hereafter will be ensured and certified by the collection agency and the laboratory.
 - e. Results of laboratory tests will be submitted only to the Human Resource Department, which will maintain confidentiality, releasing data only to the tested employee and the responsible manager with need to know basis.
 - f. Any persons at any level, with knowledge of test results are advised to maintain strict confidentiality concerning the subject.
 - g. Test results will not become a part of personnel records, but will be maintained in separate locked files under custody of the Human Resources Department.
 - h. Testing will be at the Company's expense. If any employee requests re-testing, such testing will be at the employee's expense unless original test results are proved to have been incorrect.
- C. Employee Assistance. Confidential employee assistance of drug abuse (and other personal or family problems) is available to employees and their families through Company provided counseling and referral service.
1. Self referral. An employee who perceives that he/she has drug abuse problems may make personal arrangements for a consultation. As necessary, the counselors, who are independent of LOYOLA, may make referrals for assistance that may or may not be covered under group health insurance. If not covered, payment for further required assistance is the responsibility of the employee. The counselor will keep this information in confidence; no notification will be given to LOYOLA, except for periodic reports showing number and type of services provided.

2. Company referral. If a supervisor/manager perceives a possible drug problem, he/she must immediately notify the appropriate Company officer. Information must be limited to local line managers with need to know. This official, if in agreement that there is adequate reason to suspect a drug problem, will consult with the Human Resource Department about intervention with the employee. Supervisors will be trained in drug symptom recognition. Intervention may be handled by the Human Resource Department or a designee. The employee may be informed that:
 - The Company is concerned about an apparent problem that is interfering with his/her performance.
 - The Company recommends counseling and positive action to correct the problem.
 - The Company requires, as a condition of continued employment, that the employee contact the LOYOLA Health Insurance representative to make further arrangements for counseling and referral to treatment if necessary.
 - If the employee fails to accept counseling or take corrective action within a specified time, his employment will be at risk. The intervening official should leave no doubt that termination is a probable outcome if the problem continues uncorrected.
3. Disciplinary Action vs. Employee Assistance. Referral to the Employee Assistance Program should not be made in lieu of regular disciplinary action. Violations of company policies including the Ethics Policy must continue to be dealt with in the usual manner. Further details about the Employee Assistance Program are available separately.

D. Sanctions.

1. Suspension/Drug Testing. If drug use is admitted or confirmed by drug testing, the employee must be removed from performance on sensitive work, and will be urged to seek rehabilitation. Depending on circumstances, the employee may use Personal Leave Time or be placed on Leave Without Pay for a period of treatment. Group insurance may cover all or part of the cost of treatment. An employee removed from sensitive work because of drug abuse will not be returned to that work until rehabilitation is confirmed and he/she is declared fit for duty.
2. Termination. The employee may be terminated in, at least, the following circumstances:
 - a. Confirmed drug abuse and refusal to accept counseling or seek rehabilitation.
 - b. Failure to be rehabilitated after a reasonable period of assistance and suspension.
 - c. Manufacture of drugs or drug trafficking, possession or use of illegal drugs on Company premises.
 - d. Conviction of a drug offense, whether the offense occurred on Company premises or elsewhere.
3. Notification of Contracting Officer and Defense Investigative Service.
 - a. If an employee has a DoD clearance, the Defense Investigative Service must be notified if drug abuse is confirmed. If there is a conviction of a drug related offense, the Contracting Officer must also be notified.
 - b. If the employee is serving in a sensitive position, he/she must be removed from the project immediately, and the appropriate Contracting Officers must be notified. The employee may not be returned to sensitive work until management determines that the employee is fit for duty.