BYLAW / POLICY COMMITTEE MEETING
ANZA ELECTRIC COOPERATIVE, INC.
MARCH 28, 2024

AGENDA

1. BOARD POLICIES PURVIEW

   * Policy No. 100 – “Board Policies”
   * Policy No. 101 – “Board of Directors & General Manager Code of Ethics”
   * Policy No. 102 – “Statement of Ideals & Objectives”
   * Policy No. 103 – “Functions of the Board of Directors”
   * Policy No. 104 – “Organization Policy”
   * Policy No. 105 – “Delegations from Board of Directors to the General Manager”

2. MANAGEMENT PURVIEW

   * Policy No. 400.1 – “Selection of Personnel”
   * Policy No. 406 – “Employment Practices”
   * Policy No. 408.2 – “Drug Prevention Policy and Procedures”

3. REVIEW OF BYLAWS

   - ARTICLE III

COMMITTEE MEMBERS:

Stephan Lauzier, Chairman
Harold Burdick
Hope Adams

Ryall Stewart, Ex Officio

ANZA ELECTRIC COPERATIVE, INC.
BOARD POLICY NO. 100

BOARD POLICIES

I. OBJECTIVES

Our policies are intended to conform with and support the Cooperative's Mission Statement; its 7 Cooperative Principles; its Articles of Incorporation and By-Laws; utilizing Sustainable practices and technologies; and its commitment to operating on sound business and financial practices that ensure a long-term continuity of services.

In order to assist the board in achieving these objectives the board has established a set of Board Policies which are intended to

A. Guide the board in its development of written policies intended to assist the board by providing the steps and actions necessary to achieve the business objectives of the cooperative for its members;
B. Provide the board with additional guidance and processes needed for the board to conduct review and assessment of all cooperative business to ensure the success of the cooperative;
C. To further provide the board with processes that define how the board will continuously conduct ongoing review of cooperative business with the assistance of the General Manager and employees in order to regularly evaluate the success or failure, the strengths and weaknesses of the cooperative business, its programs, its outcomes, and methods for gauging how well those outcomes support continued implementation or require course correction, changes or revisions to existing processes, in search of more effective processes which will enhance and improve outcomes that are determined to help the cooperative achieve its objectives.

A. ~~To establish the basis for the formulation and approval of written policy statements which, by setting forth the Cooperative's intentions, will serve as a guide for action in moving toward the achievement of ideals and objectives. To state the guidelines~~

~~B. To provide for the publication and distribution of policies in any format which will provide guides for decisions to be made by the Directors, General Manager and employed personnel in carrying out the plans and fulfilling the operational requirements of the Cooperative.~~

~~C. To provide for continuity of action in managing the Cooperative's business and affairs to ensure the achievement of goals and desirable levels of results consistent with the viewpoints and objectives that have been adopted.~~

Formatted: Font color: Red

Formatted: Body Text Indent, Left, Indent: Hanging: 0.52"

Formatted: Body Text Indent, Left, Indent: Hanging: 0.52", Tab stops: 1.04", Left + Not at 0.52"

II. POLICY DEVELOPMENT, APPROVAL AND DISTRIBUTION

A. The Board of Directors of Anza Electric Cooperative, Inc. has resolved that the statements contained herein shall govern as to the responsibilities for policy development, approval, and distribution.

1. Policy development shall be based upon ~~planning, that is the result of~~ detailed observations, study, and analysis of the affairs of the Cooperative.

2. Policy recommendations shall~~will~~ provide ~~for the content of~~ the proposed written policy statements and the assignments of specific responsibility therein. The policies shall reflect ~~long range and~~ long term implications, and for the authority on actions to be taken by the Board of Directors and the General Manager.

B. Policies will be systematically developed according to a standard format. All approved policy statements will be maintained in an electronic format which is systematically indexed. (THIS IS VAGUE: HOW INDEXED? BY TOPIC? BY DATE APPROVED DATE REVIEWED? BY PROPOSER? BY SUBJECT MATTER? BY OPERATIONAL/FINANCIA/MANAGERIA?) The written format of each policy approved by the Board of Directors will set forth clearly and concisely the policy objective, purpose and intended outcome(s), policy content and policy responsibility.

C. The electronic copies of policies shall contain only those policies which have been approved by the Board of Directors. Copies of policy manuals will be distributed and maintained on a current basis for each Board ~~of~~ Director and the Cooperative attorney. It is the intent of the Board of Directors that the policy manual will be available for review by interested members at the Cooperative office. It is also the intent of the Board of Directors that the General Manager and employed staff shall keep informed on all policies.

III. RESPONSIBILITY

A. The Board of Directors is responsible for policy determination. Such policies as may be approved shall be based upon review and consideration of recommendations from the Board of Directors and the General Manager.

B. The Board of Directors is responsible for establishing a Policy Committee and the duties of such committee shall be outlined.

C. The General Manager is responsible to the Policy Committee for formulation and recommendations of policies which require board

Formatted: Highlight

Formatted: Indent: Left: 0", First line: 0"

approval. The General Manager's policy recommendations shall include statements on policy objectives, content and responsibility assignment.

D. The General Manager, in consultation with the Cooperative attorney, shall make sure all proposed policies or revisions to existing policies meet the requirements of all applicable regulatory and/or administrative agencies, as well as all State and Federal legal requirements.

E. The General Manager is responsible for interpretation and implementation of approved policies. Such internal operational policy statements may be essential to set forth interpretations and procedures shall be approved by the General Manager. General Manager shall forward to policy committee such internal operational policy interpretations solely to provide communicational feedback to committee members.

F. It is the General Manager's responsibility to determine the distribution of the electronic copies of policies to staff and other employed personnel as needed.

Signed: _____
President

Signed: _____
Secretary

Effective Date: May 24, 1984
Reviewed & Signed: July 23,1990
Revised: August 23, 2001
Reviewed & Signed: January 26, 2006
Reviewed & Signed: February 22, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Revised: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26, 2015
Reviewed & Signed: January 29, 2016
Reviewed & Signed: January 19, 2017

Reviewed & Signed: February 20, 2018
Revised: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 101

BOARD OF DIRECTORS & GENERAL MANAGER CODE OF ETHICS

I. OBJECTIVE

The Board of Directors of Anza Electric Cooperative, Inc. has adopted the following Code of Ethics to apply to the Cooperative's Board of Directors and General Manager. This policy is intended to focus on areas of ethical risk, provide guidance to help recognize and deal with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty, transparency and accountability, deter wrongdoing and promote fair and accurate disclosure and financial reporting.

No policy can anticipate every situation that may arise. Accordingly, this policy is intended to serve as a source of guiding principles. The General Manager is encouraged to bring questions about particular circumstances that may involve one or more of the provisions of this policy to the attention of the President of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. CONTENT A. Honest and Ethical Conduct

The General Manager and Board of Directors are expected to adhere to a high standard of ethical conduct. The reputation of the Cooperative depends on the way the Cooperative conducts business and the way the public perceives that conduct. Unethical actions, or the appearance of unethical actions, are not acceptable. The General Manager and Board of Directors are expected to be guided by the following principles in carrying out responsibilities:

1. Loyalty

   The General Manager and Board of Directors shall not be, nor appear to be, subject to influences, interests or relationships that conflict with the best interests of the Cooperative.

2. Compliance with Applicable Laws

   The General Manager and Board of Directors shall comply with all laws, rules and regulations applicable to the Cooperative's activities.

3. Observance of Ethical Standards

The General Manager and Board of Directors must adhere to high ethical standards in the conduct of duties. These include honesty, transparency and fairness.

4. Proper Decorum

Directors are obligated to act with proper decorum. Although they may disagree with the opinions of others on the Board or a committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, Directors must focus on issues, not personalities, and conduct themselves with courtesy toward each other and toward employees, vendors and members of the Cooperative. Directors shall act in accordance with Board decisions and shall not act unilaterally or contrary to the Board's decisions.

B. Conflict of Interest

The General Manager and the Board of Directors shall avoid any conflicts of interest between themselves and the Cooperative. Any situation that involves, or may involve, a conflict of interest with the Cooperative should be disclosed promptly to the President of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.

A "conflict of interest" can occur when an individual's personal interest is adverse to – or may appear to be adverse to – the interests of the Cooperative. Conflicts of interest also arise when an individual, or a member of their immediate family, receives improper personal benefits as a result of their position with the Cooperative. "Immediate family" includes a person's spouse, parents, children, siblings, in-laws, and anyone (other than employees) who share such person's home.

This policy does not attempt to describe all possible conflicts of interest, which could develop. Some of the more common conflicts from which the General Manager and Board of Directors must refrain, however, are set forth below.

1. Improper Conduct and Activities

The General Manager and Board of Directors may not engage in any conduct or activities that are inconsistent with the Cooperative's best interests or that disrupt or impair the Cooperative's relationship with any person or entity with which the

Cooperative has or proposes to enter into a business or contractual relationship.

2. Compensation from Non-Company Sources

The General Manager and Board of Directors may not accept compensation (in any form) for services performed for the Cooperative from any source other than the Cooperative without Board approval.

3. Gifts

The General Manager, Board of Directors, and their immediate family members shall not accept gifts from persons or entities where any such gifts could influence their actions in their position with the Cooperative.

4. Personal use of Company assets

The General Manager and Board of Directors shall not use Cooperative assets, labor or information for personal use, other than incidental personal use, unless approved by the President of the Board of Directors as part of a compensation or expense reimbursement program.

C. Corporate Opportunities

The General Manager and Board of Directors are prohibited from:

1. Taking for themselves personal opportunities related to Cooperative business.

2. Using Cooperative property, information, or position for personal gain.

3. Competing with the Cooperative for business opportunities.

D. Confidentiality

The General Manager and Board of Directors shall maintain the confidentiality of information entrusted to them by the Cooperative and any other confidential information about the Cooperative, its business, customers or suppliers that comes to them, from whatever source, except when disclosure is authorized or legally mandated. For purposes of this

policy, "confidential information" includes all non-public information relating to the Cooperative, its business, consumers/members or suppliers.

E. Compliance with Laws, Rules and Regulations

The General Manager and Board of Directors shall comply with all laws, rules and regulations applicable to the Cooperative.

F. Encouraging the Reporting of any Illegal or Unethical Behavior

The General Manager and Board of Directors shall promote ethical and transparent behavior and create a culture of ethical compliance. The General Manager and Board of Directors shall foster an environment in which the Cooperative:

1. Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation.

2. Encourages employees to report violations of laws and rules.

3. Informs employees that the Cooperative will not tolerate retaliation for reports made in good faith.

G. Conclusion

Violations of Policy by General Manager

Allegations of violations of this policy by the General Manager shall be communicated to the Board President promptly. Violations will be investigated by the Board of Directors or by a person or persons designated by the Board of Directors, and appropriate disciplinary action will be taken in the event of any violations of this policy, up to and including termination.

Violations of Policy by Directors

Directors who violate the Cooperative's ethics policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- Censure.

- Removal from committees;
- Removal as an officer of the board;
- Request for resignation from the board;
- Recall by the membership, and
- Legal proceedings.

Prior to taking any of the actions described above, the Executive Committee shall investigate the violation. The Committee shall review the evidence of violation, endeavor to meet with the Director believed to be in violation, confer with the Cooperative's legal counsel, and present its findings and recommendations to the Board for appropriate action. The Board shall endeavor to meet with the Director in executive session prior to imposing disciplinary action against that person.

III. RESPONSIBILITY

The Board of Directors, as a whole, is responsible for seeing that this policy is understood and adhered to by the General Manager and the Board of Directors.

Signed: _____
President

Signed: _____
Secretary

Effective Date: October 27, 1987
Reviewed & Signed: July 23, 1990
Revised: August 23, 2001
Revised: October 23, 2003
Revised: December 21, 2004
Revised: January 26, 2006
Reviewed & Signed: February 22, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013

Reviewed & Signed: January 23, 2014
Revised: January 26, 2015
Reviewed & Signed: January 29, 2016
Reviewed & Signed: January 19, 2017
Revised: February 20, 2018
Revised: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 102

STATEMENT OF IDEALS AND OBJECTIVES

I. STATEMENT OF IDEALS

A. That the Cooperative exists primarily to serve its members. The services provided by the Cooperative are essential to the people of our area, to our State, and to the building of our nation.

B. That the Cooperative exists for the benefit of its members, but the welfare of its employees and the general public must be taken into account.

C. That it is all important that the Cooperative furnish the best utility service that it can provide, a service high in value and steadily improving, at a price to the member that will always be as low as possible and at the same time keep the Cooperative financially stable.

D. That the success of the Cooperative depends on the people it employs to provide this essential service. To provide this service the Cooperative must attract and keep capable employees. Salaries shall commensurate with wages within the industry.

E. That the Cooperative must do all things essential to good management, service, research, finance, organization, and training of employees on a long range basis.

F. This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. STATEMENT OF OBJECTIVES

A. With Members

1. To provide the best possible utility service to all who desire it within the system's service area at the lowest price consistent with the highest standards of service which includes the establishment of an adequate financial structure, sufficient funds available to cover all costs of service, payments to local governments in the form of taxes, retirement of the outstanding debt obligations, provisions for future expansion and equitable remunerations to the employees.

2. To strive constantly for ever higher standards of service through progressive management, utilization of new equipment and techniques and improved methods of operation in order to lower costs of producing and distributing electric power.

3. To enhance the Cooperative's reputation for fair dealing, prompt and efficient service, dependability, integrity, courtesy, productive ability and technical competence.

4. To keep the members adequately informed about the manner of operation, plans, progress and problems of their utility system and to strive to obtain their understanding, acceptance and support and to demonstrate that the business is locally owned and operated.

B. With Employees

1. To establish the view that our greatest assets are our human assets and that these must be developed and improved as a matter of moral obligation as well as material advantage.

2. To reward and encourage progress, inform, train, and further educate ~~develop and properly assign~~ all employees in order to attract and keep in its service those who seek a career with the Cooperative so that their lives and work will be given meaning, dignity, satisfaction and purpose both on and off the job.

3. To promote employees' advocacy in the belief in the ideas of the social and economic obligation involved in doing a job well.

C. With Public

1. To develop understanding, acceptance and support of the Cooperative's objectives, plans and programs.

2. To foster and develop the acceptance of the Cooperative as a good citizen and as a respected member of the business community.

3. To provide leadership and cooperate with other community and civic groups in furthering programs of mutual interests which will benefit the Cooperative's service area.

Signed: _____
President

Signed: _____
Secretary

Effective Date: May 24, 1984
Revised: July 23, 1990
Revised: August 23, 2001
Revised: December 21, 2004
Reviewed & Signed: January 26, 2006
Revised: February 22, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26, 2015
Revised: January 29, 2016
Reviewed & Signed: January 19, 2017
Revised: February 22, 2017
Revised: February 20, 2018
Reviewed & Signed: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 103

FUNCTIONS OF THE BOARD OF DIRECTORS

I. OBJECTIVES

To establish clearly the functions of the Board of Directors to enable them to act in their area of responsibility and accountability.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. POLICY

In accordance with the above objective, the Board of Directors will function under the following policy:

A. To Provide Legal Entity

1. See that the legal requirements as set forth in the Articles of Incorporation, By-laws, and regulations applying to the Cooperative are complied with regularly, including, but not necessarily limited to:

    a. All federal, state and local statutes and ordinances
    b. Federal Energy Regulatory Commission (FERC)
    c. Federal Communications Commission
    d. Federal and State tax agencies
    e. Public Utilities Commission - State of California

2. Holds and protects the assets of the Cooperative.

3. Holds well planned and effectively conducted meetings often enough to keep informed; to provide needed policies, facilities, and financing and to assure desired end results.

4. Approves selection of Cooperative's attorney.

5. Periodically reviews By-laws for applicable revisions or updates and makes recommendations to members for required vote. All Board Policies to be reviewed annually on a monthly basis.

6. Executes legal contracts such as loan agreements, engineering service agreements and contracts, General Manager employment contracts, and wholesale power contracts.

7. See that accurate minutes of board and membership meetings are prepared and maintained.

B. To Provide Trusteeship

1. Conducts well planned membership meetings to adequately inform the members, obtain their ideas and suggestions, and as one means to obtain their understanding and acceptance of the Cooperative's objectives, goals, policies and plans.

2. Informs the members of the end results of the operations through the newsletter and membership meetings.

3. Be familiar and comply with the Board Policies and By-laws of the Cooperative as amended from time to time.

4. Keeps informed and growing in their own skills and understanding as members of the Board.

5. Assists new members of the Board of Directors to develop a greater understanding and acceptance of their functions.

6. Participates in such outside activities as are deemed advantageous to enhance the reputation of the Cooperative, broaden the scope of the Cooperative's operations, and fulfill the public obligations of the Cooperative as a member of the community and the Rural Electrification program.

7. See that a continuous program of member and public relations is carried out to obtain understanding and acceptance of the Cooperative's objectives, viewpoints, policies, plans and programs.

8. Keeps the members informed of problems faced by the Cooperative which require their support.

9. Invites the participation of the members in planning and carrying out programs that affect them.

C. To Consider and Adopt Short and Long Range Plans

1. Determines the ideals, viewpoints, objectives, major goals and end results desired through interpretation of the Articles of Incorporation and By-laws.

2. Determines, in consultation with the General Manager, the guiding policies of the Cooperative.

3. Reviews and approves the work plans as developed and recommended by the General Manager.

4. Reviews and approves the operating budget in terms of results, risks, and evidence of conditions promising to attain desired end results.

5. Considers and adopts in consultation with the General Manager the financial plans and policies essential to maintaining a sound financial structure.

6. Considers and adopts in consultation with the General Manager personnel policies essential to provide opportunities for growth and development of employees.

7. Determines in consultation with the General Manager policies for maintaining good member-owner relations, public relations and power use.

D. To Provide Operating Requirements

1. Authorizes the monies, facilities and equipment necessary to carry out the objectives of the Cooperative.

2. Appoints committees, when necessary, and receive reports and recommendations from the special or standing committees, and takes appropriate action as a result of such reports.

3. Selects and employs a competent General Manager. The General Manager is delegated the responsibility and authority to select the employed personnel and terminate their employment if such becomes necessary.

4. Delegates to the General Manager the authorities and responsibilities as described in job description approved by the Board of Directors.

5. May advise the General Manager, upon the General Manager's request, in regard to specific managerial decisions.

   a. The Board of Directors shall not make managerial decisions with regards to those that have been delegated to the General Manager.

E. To Establish Controls That Can Be Used in Appraising the Effectiveness of the Operations

1. Reviews periodic reports and checks for conformity to the approved viewpoints, objectives, policies, major goals, plans and programs.

   These reports should be sufficient in detail to enable the Board of

Directors to:

a. Prevent unauthorized action.
b. Determine how operations in key performance areas are progressing.
c. Predict trends and forecast results on the basis of trends.
d. Determine where changes or remedies are needed to prevent serious deviations.
e. Establish source of material for planning or re-planning.
f. Measure financial performance against budget.
g. Measure performance against plans.

2. Reviews the annual financial audit and sees that such remedial action as necessary is taken.

3. Reviews all independent management audits and sees that its recommendations are carried out.

F. Governance Responsibilities of Directors

The general governance duties for Directors are to enforce the Cooperative's governing documents, preserve the Cooperative's financial resources, and insure the Cooperative's assets against loss. To fulfill these responsibilities, Directors must:

- Regularly attend board meetings;
- Review material provided in preparation for Board Meetings;
- Review the Cooperative's financial reports, and,
- Make reasonable inquiry before making decisions,
- Review and adhere to the latest addition Roberts Rules of Order.

Signed: _____
President

Signed: _____
Secretary

Effective Date: July 28, 1977
As amended by By-law change effective: September 24, 1988
Reviewed & Signed: July 23, 1990
Revised: February 27, 1992
(Section II - Part D-3)
Revised: August 23, 2001
Revised: December 21, 2004
Reviewed & Signed: January 26, 2006
Reviewed & Signed: March 29, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: February 26, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26,2015
Revised: January 29, 2016
Reviewed & Signed: January 19, 2017
Revised: February 20, 2018
Revised: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 104

ORGANIZATIONAL POLICY

I. OBJECTIVES

To establish a sound organizational structure that will provide the most effective leadership to the end that work may be accomplished more efficiently and more economically.

This policy is adopted in accordance with Policy No.100 – "BOARD POLICIES".

II. PRINCIPLES OF ORGANIZATION

A. The organizational plan will be developed from the point of view of the activities required to achieve the objectives of the Cooperative.

B. Tasks shall be assigned to natural groupings according to their abilities.

C. Each person's occupational responsibilities, authorities and relationships shall be:

1. Fully expressed in written form.
2. Clearly understood.
3. Completely accepted by the individual.

D. Delegation of authority and the freedom to act shall be clearly and appropriately defined and be adequate for responsibilities assigned.

E. Titles should be appropriate and consistent.

F. The organizational plan should be kept flexible and sensitive to changing conditions within the Cooperative.

G. The organizational plan shall be clearly and fully described containing functional and personnel charts for each organization unit, job descriptions, and statements of standing committee functions.

III. RESPONSIBILITY

A. The General Manager shall be responsible for annually updating, revising, and presenting its proposed organizational plan to the Board of Directors for discussion, review and approval. The General Manager shall be responsible for developing the organizational plan

to clearly and concisely illustrate and describe the structure and functions of the Cooperative with the advice, counsel and assistance of all staff members.

B. The Board of Directors shall be responsible for reviewing and approving all policies governing the objectives and functions of the Board of Directors and the General Manager of the Cooperative. Included within this context shall be the Board of Director's responsibility for review and approval of the job description for the General Manager and employment contract between the General Manager and the Cooperative.

Signed: _____
President

Signed: _____
Secretary

Effective Date: May 24, 1984
Revised: July 23, 1990
Revised: August 23, 2001
Revised: December 21, 2004
Reviewed & Signed: January 26, 2006
Reviewed & Signed: March 29, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: February 26, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26, 2015
Reviewed & Signed: February 25, 2016
Reviewed & Signed: January 19, 2017
Revised: February 20, 2018
Revised: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022

Reviewed & Signed: January 26, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 105

DELEGATIONS FROM THE BOARD OF DIRECTORS TO THE GENERAL MANAGER

I. OBJECTIVES

To clearly define the delegations from the Board of Directors to the General Manager ~~to give~~ by which the BOD hereby transfers the authority needed for GM to adequately direct the operations of the Cooperative.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. POLICY CONTENT

A. Planning

1. Viewpoints, Objectives and Policies

To formulate, with staff, the viewpoints, objectives, and policies of the Cooperative to be recommended by the General Manager to the Board of Directors for approval.

2. Long and Short Range Plans

To formulate, with staff, and recommend to the Board of Directors, short and long range plans including plans in such areas as engineering, power supply, financial, public and member relations, etc.

3. Work Plans and Budgets

To formulate, with staff, a work plan and budget to be recommended by the General Manager to the Board of Directors for approval.

4. Membership Meetings

To develop, with staff, plans for the Cooperative's annual meeting, and other membership meetings to be recommended by the General Manager to the Board of Directors for approval.

5. Legislation

To analyze and report to the Board of Directors, State and Federal legislative and administrative matters to be supported by the Cooperative consistent with established Cooperative policy.

6. Management Improvement

To plan and develop a comprehensive management improvement program, including such areas as continuing education, position descriptions, organization planning, job evaluation, systematic wage and salary plan and performance appraisal.

To implement, utilize and maintain the **"WORKFORCE DEVELOPMENT AND SUCCESSION PLAN",** (2019 et seq), as approved by the Board of Directors, attached to and part of this Policy.

7. Rates

To periodically study and analyze the Cooperative's rates and billing and collection regulations to make sure they meet current operating requirements and to make appropriate recommendations to the Board of Directors.

B. Organization

1. Organization Structure

a. To review periodically all activities of the Cooperative and determine, with staff, the organization structure best suited to carry out the over-all Cooperative objectives.

b. To determine, with staff, the need for additional positions or transfer, reassignment or elimination of present positions and to implement such changes provided they are within the limitations of the personnel costs of the approved budget.

2. Selection of Personnel

a. To develop or approve standards and qualifications for use in recruiting, transfer and promotion of the Cooperative's personnel. Such standards and qualifications shall be consistent with all Federal and State fair employment regulations, and representative of industry standards.

b. To select, appoint, transfer, promote and release personnel.

3. Wage and Salary Administration

a. To develop, with staff, and external applicable consultants as needed, a systematic wage salary plan for employees and present it to the Board of Directors for approval.

b. To determine all salary adjustments for employees except the General Manager's within the approved wage and salary plan and policy and within the limitations of the budget. Salary adjustments for the General Manager shall be decided by the Board of Directors.

c. To evaluate new positions and re-evaluate existing positions if their responsibilities and authorities substantially change and as a result of such evaluation or re-evaluation, place these positions in the Board approved wage and salary plan.

d. To conduct labor surveys as necessary to determine salaries paid for comparable jobs in the area in which the Cooperative recruits personnel and make appropriate recommendations to the Board of Directors on any revisions required in the approved wage and salary plan.

4. Training

a. To see that staff is trained in accordance with the qualifications and requirements of their positions.

b. To initiate and promote appropriate management, professional and technical training programs for all personnel within the limitations of the budget, including sending personnel to appropriate training programs outside the Cooperative.

5. Performance Appraisals

~~a~~b.~~.~~ To appraise periodically the performance of immediate staff and to counsel to assist them to develop and improve.

~~b~~a. To see that a performance appraisal program is established and carried out for Cooperative personnel.

6. Job Descriptions

To see that written job descriptions are prepared and kept up-to-date for all Cooperative personnel. Such completed descriptions will not require Board approval.

7. Employee Benefits

a. To administer or approve activities and actions with respect to vacations, holidays, sick leave and other employee benefit programs for Cooperative personnel.

b. To study and recommend to the Board of Directors as required, changes in the Cooperative's employee benefit programs.

8. Consultants

To select and recommend not less than 3 qualified vendors, to the Board of Directors for approval, for the employment of auditors and outside consultants, and to negotiate contracts or agreements for their services. If less than 3 qualified vendors are identified the GM will notify the BOD, and proceed with negotiations of agreements subject to Board approval.

C. Operations

1. Over-All Administrations

a. To direct the day-to-day operations and activities of the Cooperative except as specified otherwise by the By-laws or the Board of Directors; to delegate appropriate authority to their immediate staff, authorize further delegation of their authority to any level of management; with full recognition that the GM ~~they~~ cannot be relieved of its~~their~~ over-all responsibility or any portion of accountability.

b. To manage the operations of the Cooperative in accordance with the objectives and policies of the Board of Directors.

c. To designate a Department Head to serve as Acting Manager in the absence of the General Manager for any prolonged period and to notify Board President at the time of each designation.

d. To direct appropriate and efficient membership services in such areas as, but not necessarily confined to, provision of utility service, member education, and research as authorized by the Board of Directors.

e. To accept invitations to participate in or to designate another staff member to participate in national, state and local meetings that furthers the best interests of the Cooperative.

f. To direct the provision of system improvements and improvements in service, as required, within the limitations of Board policy, .

2. Public and Member Relations

a. To see that authorized Cooperative publications are prepared, edited,

published and distributed.

b. To determine and approve Cooperative participation in community and civic activities within the limitations of Board policy.

c. To investigate and recommend approval of membership from ~~to~~ Board of Directors in organizations and associations in which the General Manager thinks membership of the management or staff members would be helpful; and authorize the dues for such membership to be paid by the Cooperative within the limitations of the budget.

d. To develop and carry out within Board policy a comprehensive public and member relations program including, but not necessarily limited to the publication of an annual report, the publication of the Cooperative's newsletter, the issuance of press releases concerning the Cooperative's operations and the use of radio and television to obtain increased understanding and acceptance of the Cooperative's viewpoints, objectives, policies and programs.

3. Financial

a. To administer the approved budget including making expenditures as required within the limitations of the budget.

b. To invest or re-invest Cooperative funds, cash investments when due, and cash government bonds, when and if necessary to protect the Cooperative's cash position. Investments will generally be made in government securities or government guaranteed or insured securities, but other investments may be made with Board approval.

c. To authorize and approve the travel and expenses of Cooperative personnel on Cooperative business within the limitations of the budget and within established policy.

d. To approve accounting systems, procedures, statistics and types of reports necessary for sound financial management of the Cooperative and for necessary control information required by the Board of Directors and the membership.

e. To purchase all Cooperative equipment, hardware, furniture, materials and supplies within the limitations of the budget.

f. To prepare loan applications to be recommended to the Board of Directors for approval.

g. To approve and sign requisition for loan funds.

h. To sign checks for payment of approved bills, salaries and other expenditures.

i. To prepare "write-off" of delinquent accounts to be recommended to the Board of Directors for approval.

Formatted: Indent: Left: 0"

D. Controls

1. Operations

To submit periodic and special reports to the Board of Directors on conformity of operations with approved objectives, policies and programs; to recommend any revisions requiring Board approval and to direct any remedial action.

2. Finances

To submit periodic and special reports to the Board of Directors on receipts, disbursements, cash balances to keep them informed of the Cooperative's financial position and conformance to financial plans and forecasts.

3. Budgets

To report monthly to the Board of Directors on revenues and expenditures compared to budget, to recommend any revisions required and to direct any necessary remedial action.

4. Annual Financial Audit

To review with the Board of Directors the Annual Financial Audit and direct any remedial action required. Such review may be with the auditor present at the Board of Directors meeting.

5. Physical Inventories

To determine the amount of and establish proper control of all physical inventories of the Cooperative, including disposition of surplus or obsolete stocks or supplies.

6. Power Supply

To review periodically adequacy of power supply and make appropriate recommendations to the Board of Directors.

7. Member Complaints

   To submit periodically to the Board of Directors an analysis of member complaints and take any corrective action required, or to recommend

   appropriate revisions in Board policy.

8. Quality of Service

   To submit periodically to the Board of Directors a report on quality of service and any remedial action taken.

9. Member Meetings

   To report to the Board of Directors an analysis of effectiveness of annual and other member meetings with recommendations on any improvements which can be made.

10. By-Laws

    To report to the Board of Directors a review of By-laws made in consultation with the Cooperative Attorney and to recommend any revisions required.

III. RESPONSIBILITY

A. The General Manager shall report to the Board of Directors periodically on how management is carrying out these delegations. The General Manager may make further delegations to staff as required.

B. The Board of Directors is responsible for approving any changes in the delegations.

Signed: _____
President

Signed: _____
Secretary

Effective Date: August 25, 1977
Revised: April 27, 1989
For Signature Only
Revised: July 23, 1990
Revised: August 23, 2001
Revised: December 21, 2004
Revised: February 27, 2006
Revised: March 29, 2007
Reviewed & Signed: February 29, 2008
Reviewed & Signed: February 26, 2009
Revised: February 23, 2010
Reviewed & Signed: February 17, 2011
Reviewed & Signed: February 23, 2012
Revised: February 28, 2013
Reviewed & Signed: February 25, 2014
Reviewed & Signed: February 27, 2015
Revised: February 25, 2016
Reviewed & Signed: February 22, 2017
Reviewed & Signed: February 20, 2018
Revised: February 28, 2019
Revised: November 21, 2019
Reviewed & Signed: April 23, 2020
Reviewed & Signed: February 25, 2021
Reviewed & Signed: February 24, 2022
Reviewed & Signed: February 28, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 400.1

SELECTION OF PERSONNEL

I. OBJECTIVE

To ensure that the Cooperative employs the most qualified individuals for all vacancies in accordance with the best personnel practices and all applicable Federal and State laws.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. POLICY CONTENT

A. Selection of Personnel

1. All vacancies shall be filled on the basis of qualifications and or merit.

   The applicant's experience, training, references, education, and other pertinent background information will be measured against the appropriate written job descriptions or qualifications. Applicants may also be asked to undergo appropriate proficiency testing, the results of which will be one factor taken into account to determine the applicant best qualified to fill the position.

2. In filling vacancies all applicable Federal and State laws will be complied with. For further details refer to Board Policy 403, Equal Employment Opportunity.

3. All vacancies will first be announced internally to give present employees the opportunity to apply. In making promotions, length of service shall be recognized whenever qualifications are equal or practically so. Whenever vacancies occur, management may consider applications from those outside the Cooperative and will select the best qualified applicant on the basis of qualifications and/ or merit.

4. A minimum of a high school education will be required for all positions.

5. At the expense of the Cooperative, all new employees will be required to complete the following after a job offer has been made, but contingent upon passing, and before starting work:

a. Physical examination
b. Drug testing Both as specified by the Cooperative and to be given by a physician designated by the Cooperative.
c. Background check conducted by a third-party screening company designated by the Cooperative.

B. Anti-Nepotism Policy in Hiring

1. To reasonably regulate, for reasons of supervision, safety and security, the employment of spouses, Board of Directors, family members of Directors or family members of the General Manager or family members of employees, pursuant to Government Code, Section 12940(a)(3)(A).

a. The Cooperative may reasonably regulate, condition, terminate, or prohibit the employment of (1) members of the same family within the third degree of consanguinity, (2) persons related by marriage, (3) members of the Board of Directors, (4) Director's family members within the third degree of consanguinity, (5) the General Manager's family members within the third degree of consanguinity.

Such reasonable regulation, condition, termination, or prohibition may take place upon a finding that such employment would without such regulation, condition, termination or prohibition, prejudice the (1) direct or indirect supervision; or (2) safety; or (3) security with respect to the operations of the Cooperative. Such finding shall be made in writing by the General Manager and shall be presented to the affected employee or employees.

b. Each applicant is required to disclose the identity of any relative who is a current employee of the Cooperative. An applicant's failure to disclose a relative who is an employee may result in rejection of the applicant or future disciplinary action against the applicant after employment, up to and including termination of employment for cause.

c. An applicant for a position who has a relative employed by the Cooperative may not be denied the right to file an application for employment or to complete proficiency testing and background checks. If the applicant successfully completes all pre-hire conditions, then he or

she may be employed in a department, division, or office in which a member of his or her family member is not employed, subject to this policy. Such employment may be denied if employment would potentially create a conflict of interest or would have a potentially adverse impact on morale, supervision, or safety, even where a direct reporting relationship is not involved. Applicants who are family members of members of the Board of Directors or the General Manager of the Cooperative are presumed to have a conflict of interest regardless of the position for which the applicant applied.

d. When an eligible applicant is refused appointment by virtue of this policy, the name of the candidate shall remain on the eligibility list for openings in the same classification, as otherwise provided in this policy, where no conflict of interest exists in another vacant position. In no case may a current employee or member of the Board of Directors participate directly or indirectly in the recruitment or selection process for a position for which the employee's relative has filed an employment or application or otherwise seeks employment.

e. In the event two employees of the Cooperative decide to marry, and a finding of prejudice is made, the employees shall be given the opportunity to determine which of them shall voluntarily resign. If they are unable to or fail to choose which employee will resign, then the General Manager will so choose and his or her decision will be final and binding.

III. RESPONSIBILITY

A. The General Manager is responsible for seeing that the provisions of this policy are complied with in selecting all personnel.

Signed: _____
President

Signed: _____
Secretary

Effective Date: June 30, 1988
Revised: November 27, 2001
Revised: June 23, 2005
Reviewed & Signed: August 30, 2006
Reviewed & Signed: November 29, 2007
Reviewed & Signed: August 28, 2008
Revised: September 30, 2009
Revised: August 25, 2010
Reviewed & Signed: August 25, 2011
Revised: September 27, 2012
Revised: November 21, 2012
Reviewed & Signed: August 22, 2013
Reviewed & Signed: August 28, 2014
Reviewed & Signed: August 27, 2015
Revised: September 22, 2016
Reviewed & Signed: August 24, 2017
Reviewed & Signed: September 21, 2018
Reviewed & Signed: August 27, 2019
Reviewed & Signed: August 27, 2020
Revised: October 28, 2021
Reviewed & Signed: August 25, 2022
Reviewed & Signed: September 21, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 406

EMPLOYMENT PRACTICES

I. OBJECTIVE

A. To maintain a staff of efficient, loyal, and well-trained employees, who are aware of their responsibilities and interested in the welfare of the Cooperative.

B. To establish clearly defined employment practices that consider the welfare and security of the employees and the well being of the Cooperative.

C. To provide for the Board of Directors an understanding and assurance that employees will be treated fairly and uniformly.

D. To help management carry out these intentions by providing an equitable basis for the settlement of employee grievances and complaints.

E. This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES.

II. POLICY CONTENT

A. Termination

In recognition that the employment relationship is "at will" in the state of California, the relationship between the employee and Anza Electric Cooperative, Inc. may be ended at any time for any reason or no reason by either the employer or employee. In the event that an employee should decide to resign, although not required, Anza Electric Cooperative, Inc. would appreciate at least a two week notice and, if the employee is in a management position, at least a 30 day notice. The following conduct may result in immediate discharge:

1. Inadequate work performance.

2. Habitual disregard for the established hours of attendance.

3. Refusal to obey the policies of the Cooperative, or the reasonable instructions of the manager.

4. Disruption of employee morale by the initiation and circulation of false rumors, or working against the basic philosophy and objectives of the Cooperative.

5. Unjustified absence.

6. The unauthorized communication of sensitive or confidential information to those outside the Cooperative.

7. All employees are prohibited from having any measurable amount of alcohol within their bodily system during compensable work time, resulting in a confirmed reading of .02% BAC or higher. This includes all time while on Cooperative property or while conducting business on behalf of the Cooperative or while operating Cooperative owned vehicles/equipment.

8. All employees are prohibited from possessing, dispensing, distributing, manufacturing, consuming, selling, transferring, or in any way encouraging the sale, possession or consumption of illegal drugs or impairing substances. All employees are also prohibited from the unauthorized use, possession or consumption of alcohol based products during working hours, or when on standby status. If the employee is taking any legally prescribed medications from a United States Doctor or over the counter medications that may cause impairment, the employee must notify the Cooperative prior to performing any safety-related duties. All medications or prescriptions from Countries, other than the United States, will **not** be accepted. The Cooperative may require an employee to submit to a fitness for duty evaluation **and** medical clearance prior to resuming "Safety-Related" duties.

9. The Cooperative prohibits the possession or use of all marijuana for those employees identified in Board Policy No. 408.2. ~~The Cooperative does **NOT** permit the use of medical marijuana. Furthermore, this practice is considered prohibited conduct, even if the employee possesses a State issued "Medical Marijuana Card" or "Doctor's Authorization". This substance is prohibited under Federal Law.~~

10. All employees are prohibited from refusing, hindering, delaying, interfering or in any way attempting to defeat the collection or testing process. This includes not showing up for a testing appointment, reporting late for testing, leaving the collection site, not following the collector/supervisor's verbal instructions, providing misleading information, providing an out-of-temperature urine sample, adding anything to the urine sample, or any conduct that is intended to interfere or defeat the collection or testing process.

11. Behavior during or after working hours prejudicial to the best interests of the Cooperative.

Formatted: Indent: Left: 1.2", Right: -0.01", Space Before: 1.45 pt, Line spacing: single

Commented [AC1]: This paragraph is not needed – the

12. Committing the Cooperative to expenses not falling within the authority of the employee.

13. Any fraudulent or dishonest act or acts committed by any employee acting alone or in collusion with others.

14. Violation of any other Cooperative rules after warning.

15. Any employee who strikes or challenges another employee to an altercation on company time.

16. Any employee who has Cooperative property in their possession without authorization.

17. Misuse of Cooperative property or information.
    a. No employee may use Cooperative keys or keys on loan to the Cooperative to open locks on private property except for the completion of Cooperative business.

    b. A consumer's information shall be deemed confidential and may not be disclosed or released to any individual or organization without proper legal authority, i.e. subpoena.

18. Other causes for termination of employment may arise from time to time as circumstances dictate. Among these is the reduction in or change or elimination of a position in the Cooperative. In any case, the provisions of the Fair Labor Standards Act or Board Policy are to be adhered to.

B. <u>General Working Rules</u>

1. On May 26, 2016, the Cooperative's employees adopted an Alternative Workweek Schedule as follows: The regular work day is from 7:00 a.m. to 4:30 p.m. Monday – Thursday and 7:30 a.m. to 4:00 p.m. Friday with alternating Fridays off. Each working day includes a one-half hour meal break, required rest periods, and a required recovery period for outdoor employees to prevent heat illness on an as-needed basis.

2. The normal work week is considered to commence at 11:31 a.m. Friday and ends the following Friday at 11:30 a.m. For employees who are not otherwise exempt under the Wage and Hour Law, all hours worked in excess of the regular scheduled hours of each workday (Monday to Thursday are nine hour days and the working Friday is an 8 hour day) and forty hours during any such work week will be paid for at time and one-half the regular wage. After

determination of the number of hours and days that an employee is normally scheduled to work in any week they will be expected to report for work in accordance with that pre-arranged schedule regardless of the overtime hours they may have worked during any one period. In no case, will the Cooperative ask an employee not to work or prevent them from working their regular schedule merely to avoid payment of overtime.

3. All employees shall be paid twice a month, with payroll paid on the first workday following the close of the pay period. Pay periods shall be from the 1st thru the 15th and from the 16th thru the end of the month.

4. Transportation while on Cooperative business shall be in Cooperative vehicles whenever possible and practical. The use of personal vehicles is subject to management approval. When such vehicles are used, reimbursement will be at the same rate as federal mileage statutes allow.

5. The Cooperative expects that employees will pursue their work with confidence and respect, and will go about every job in an efficient manner, exerting all the energy and tact required to complete the job properly.

C. <u>On-Call</u>

1. Certain outside employees are subject to call at any time for emergencies. On-call employees are expected to hold themselves in reasonable readiness for such work when required and be in appropriate mental and physical condition to start assignment.

2. On-call employees can make effective use of their own time. They shall not be required to remain at home or any particular location but will be expected to make arrangements whereby they can be reached and respond to the Cooperative within a reasonable time (approximately 20 minutes) when called for emergency work.

3. If a situation arises where an on-call employee is not able to respond to an emergency within a reasonable time as described, such employee shall be responsible for securing a replacement from authorized employees.

4. On-call employees will be paid a stipend of 4 hours at time and one-half regular pay for the period of on-call duty from Friday 4:00 p.m. to Monday 7:00 a.m.

5. If called to work, the employee will be paid a minimum of 2 hours pay per day. Standard Wage Order overtime calculations will apply as described in §II. (B). (2).

   If the employee is required to respond to a call, all time spent by the employee answering questions or otherwise responding via phone and/or computer is compensable time and must be paid. Employees must keep accurate records of these hours worked. Under California law, only *de minimus* work (defined as a "minute or two" during the entire workday-not per response) does not have to be paid.

D. Out-of-Pocket Expenses

Employees who attend meetings or make other trips on Cooperative business which have been approved in advance shall be reimbursed for all legitimate out-of-pocket expenses including lodging and meals upon submission of an itemized expense account to be approved by the manager or in the case of a manager absence, the General Manager.

III. RESPONSIBILITY

A. The General Manager is responsible for seeing that the provisions of this policy are carried out.

Signed: _____
President

Signed: _____
Secretary

Effective Date: October 30, 1989
Revised: June 24, 1999
Revised: November 27, 2001
Revised: August 26, 2004
Revised: July 28, 2005
Revised: September 28, 2006
Revised: January 24, 2008
Reviewed & Signed: September 25, 2008
Revised: October 27, 2009
Revised: September 28, 2010
Reviewed & Signed: September 22, 2011

Revised: September 27, 2012
Reviewed & Signed: September 26, 2013
Revised: December 23, 2013
Revised: September 25, 2014
Revised: September 24, 2015
Revised: June 23, 2016
Revised: September 22, 2016
Reviewed & Signed: September 28, 2017
Reviewed & Signed: September 21, 2018
Reviewed & Signed: August 27, 2019
Reviewed & Signed: September 24, 2020
Reviewed & Signed: September 23, 2021
Reviewed & Signed: September 22, 2022
Reviewed & Signed: September 21, 2023

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 408.2

DRUG PREVENTION POLICY AND PROCEDURES

I. PURPOSE

This policy is intended to outline the Cooperative's mandatory Drug Free Workplace and Employee Testing Procedures. Its sole intention is to meet ~~or exceed~~ any federal or state mandates, requiring employee drug or alcohol testing of our employees and to maintain a safe work environment for all our employees and the general public. Therefore, many references made within this policy may be stricter than the Federal Department of Transportation regulations. In any event that the Cooperative's policy or procedures conflict within D.O.T. mandates, the Cooperative (under its own authority) will take action to enforce this program, independent of D.O.T. authority.

A. OUR COMPANY

The Cooperative is very concerned about the ever-increasing threat drug & alcohol abuse poses upon the safety and wellbeing of our employees, customers and the general public. Although we strive to maintain a safe working environment, the U.S. Government states that drug & alcohol abuse continues to contribute to increased accidents, injuries and workplace violence. As a result, the Cooperative has chosen to implement ~~this~~ a Drug Prevention & Testing Program to help protect our employees and the general public from the dangers posed by this known employee hazard.

B. GOAL

The Cooperative's goal is to eliminate the threat that drug & alcohol abuse poses ~~on~~ to the safety and well-being of our employees. As such the Cooperative has developed a solid commitment to eliminate drug and alcohol abuse from our employees' environment, through the use of employee testing, discipline and access to our Employee Assistance Referral Program. **It is the responsibility of every supervisor to strictly enforce and report any suspected violation of this policy to the General Manager without delay. Failing to report suspected violations of the Policy may lead to termination.**

C. APPLICABILITY

This policy shall apply to all employees of the Cooperative to include, but is not limited to:

1. Any person who receives compensation from the Cooperative such as employees or temporary labor;

2. Any employee returning from lay-off, either paid or unpaid;

3. Any person working in a paid "on-call" or "as needed" status or position;

4. Any Non-Paid person performing work on behalf of the Cooperative, such as volunteers or R.O.P. students;

5. Any company or organization that is contracted or sub-contracted by the Cooperative;

6. Any company submitting bids, or seeking work from the Cooperative;

7. Any company operating Commercial Vehicles on public roadways, in accordance with Title 49 CFR Part 382;

8. Any employee who is regulated by any Department of Transportation agency, such as F.T.A., R.S.P.A. and the like;

9. Any employee regulated by any other Federal, State, Municipal or local agency requiring this type of program.

II. DEFINITIONS

A. "Employee" – Anyone receiving compensation from the Cooperative, including but not limited to full time, part time, occasional, temporary help or contracted labor, to include contracted organizations. Also included is unpaid labor, such as volunteers, R.O.P. students and the like.

B. "Company Property" – Any property owned, leased or otherwise under the control of the Cooperative. This includes non-Cooperative owned work locations, such as off-site construction sites, etc. Also included is Cooperative-owned parking lots, vehicles, equipment and any other device used to perform work for the Cooperative.

C. "Compensable Work" – Any time of the day or night when the Cooperative is paying an employee for work performed, which includes paid stand-by and/or on-call assignments.

D. "Safety-Related" – Any position or job task that may lead to serious injury or death, if performed improperly. This task must be performed the majority of the employee's workday. This includes the operators of motor vehicles, machinery and heavy equipment. Additional tasks include working around

hazardous materials, hazardous work environments, child supervision and D.O.T. regulated duties.

E. "Under the Influence" – Any condition in which an employee is affected by a drug or by alcohol in any detectable manner. The symptoms of influence are not confined to those consistent with misbehavior, nor in obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of being under the influence ~~can~~ may be established solely on a scientifically valid test, such as urine, hair, blood, breath, saliva, fingernail or any other medically acceptable testing method.

F. "Alcohol" – Any beverage that contains ethyl-alcohol (ethanol), including but not limited to beer, wine and distilled spirits.

G. "B.A.C." – Breath Alcohol Concentration is the unit of measure of the alcohol present in a volume of breath-expressed in terms of grams of alcohol per 210 liters, as indicated by an evidential breath test.

H. "B.A.T." – Breath Alcohol Technician is a professional, who is specially trained to assist and direct a donor with the collection of a valid breath or saliva alcohol sample.

I. "Sample Collector" – A certified professional, who is specially trained to assist and direct a donor with the collection of a valid forensic sample using strict chain of custody procedures.

J. "Illegal Drug" – Any drug which is not legally obtainable, or which is legally obtainable but has not been legally obtained. The term further includes prescribed drugs not being used for prescribed purposes~~Any drug or substance that is being used or possessed in violation of any Federal, State or local law, regulation or ordinance~~. This includes the abuse of any prescription medication or the use or possession of someone else's prescription medications. This also includes the possession and/or use of medications prescribed within foreign countries, without a valid U.S. Doctor's written prescription.

K. "Schedule II semi-synthetic opioids" -hydrocodone, oxycodone, hydromorphone, oxymorphone). Some common names for these semi-synthetic opioids include OxyContin, Percodan, Percocet, Vicodin, Lortab, Norco, Dilaudid, and Exalgo.

L. "Contraband" – Any item or device that is being used or possessed in violation of a Federal, State or local law, regulation or ordinance. This includes any drug or alcohol related item, weapons, or stolen property.

M. "D.O.T." – The Federal Department of Transportation, which regulates commercial motor vehicle operators and employees. They ensure driver and public safety.

N. "M.R.O." – Medical Review Officer

III. GENERAL POLICY AND DISCIPLINE

A. GENERAL POLICY

1. All employees are prohibited from possessing, dispensing, manufacturing, consuming, selling, transferring or in any way encouraging the sale or possession of illegal drugs, to include the unauthorized use or possession of alcohol or drugs during compensable work time including lunch and breaks or while on Cooperative property or assignment. Employees are also prohibited from using and/or possessing any medications that have not been prescribed to them by a licensed United States Doctor. Foreign Country prescriptions are not acceptable.

2. All employees are prohibited from having any detectable amount of illegal drugs within their bodily system during compensable work time, or while on Cooperative property or assignment. This will be determined by the use of employee drug testing procedures. All employees are expected to avoid situations that expose them to illegal drug use. Employees are required to report suspected illegal drug use or suspected violations of this Policy to the General Manager, without delay.

3. All employees are prohibited from having any measurable amount of alcohol within their bodily system during compensable work time, resulting in a confirmed reading of.02% BAC or higher. Any employee with a confirmed reading of .02% BAC, but less than .04% BAC must be removed from duty for no less than twenty-four (24) hours and complete a Last Chance Agreement prior to resuming duty with the Cooperative. This Last Chance Agreement must include a Negative Return to Duty test and two (2) years of random follow-up testing.

4. All employees are encouraged to discontinue alcohol use at least eight (8) hours prior to their assigned work shift and are prohibited from consuming alcohol within four (4) hours of their assigned work shift.

5. Any employee requested to report to work during off hours is prohibited from working if they have consumed alcohol within the four (4) hours prior to the request.

6. Employees are prohibited from consuming alcohol during their designated on-call assignment.

7. All employees are required to cooperate with the test collectors and promptly submit to any testing requested by the employer, without delay or hindrance. No employee is permitted to interfere or disrupt the collector at any time.

8. All employees are required to supply a ~~valid bodily sample(s), which may consist of a urine, hair, fingernail, saliva, blood, breath, or any other~~ medically acceptable sample for the detection of drug or alcohol use. Depending on the job classification the employees the Cooperative will not test for non-psychoactive metabolites unless otherwise required to do so by state or federal law. The Cooperative may require an employee to submit to one or more of ~~the above~~ samples, if needed. (Example: urine & hair)

9. All employees must report to the sample collection facility within the specified time given upon verbal notification. The employee then has no more than one (1) hour to produce a valid sample for testing. D.O.T. regulated employees are allotted a maximum of three (3) hours, by regulation.

10. All employees are prohibited from performing any type of "Safety-Related" function, while under the influence of a controlled substance or substance containing alcohol. This includes any legally prescribed prescription or over the counter medication that may cause impairment. If you are taking medications that may cause impairment, you must notify management immediately, so an alternative work assignment can be made, if available. The name of the medication need not be disclosed, only the fact that impairment may be possible. The Cooperative doctor may allow you to return to your duties upon medical clearance.

11. Any employee convicted of violating any State, Federal drug or alcohol statute is required to notify the employer within five (5) calendar days of such conviction. Conviction does not include arrests, but does include court findings of guilt, a plea of "no contest" or an imposition of sentencing by any judicial body.

12. All employees, including supervisors, are required to cooperate with the administration of this Drug Prevention & Testing Policy. This includes cooperating with testing staff at all times. **It is the responsibility of every supervisor to strictly enforce and report any suspected violation of this policy to the General Manager, without delay.**

Failing to report suspected violations is a violation of this Policy and may result in the Supervisors termination.

B. DISCIPLINE

Any violation of this policy will lead to your immediate removal from duty and may result in immediate termination.

IV. DRUG TESTING PROCEDURES

All samples, which will be collected, processed and tested by nationally certified professionals. The Cooperative may request one type of sample or a combination of sample collections, as needed.

1. All D.O.T. sample collections and lab testing will follow the highest Federal Standards, using Title 49 CFR Part 40 as our guide. All D.O.T. tests will be processed through a D.H.H.S./ S.A.M.H.S.A. federally certified lab for Amphetamines (1,000 ng/ml), Marijuana (50 ng/ml), Cocaine (300 ng/ml), Opiates (2,000 ng/ml) & PCP (25 ng/ml).

2. Effective January 1, 2018, all D.O.T. sample collections and lab testing under Title 49 CFR Part 40 will be processed through a D.H.H.S./ S.A.M.H.S.A. federally certified lab and will perform additional test for four semi-synthetic opioids (i.e., hydrocodone, oxycodone, hydromorphone, oxymorphone).

3. To comply with state and federal regulations, all employees classified as construction or building trades, regardless of D.O.T status will be subject to drug tests that screen for a broad spectrum of drugs, including psychoactive metabolites. Employees classified within the construction or building trades include, but are not limited to:

    - Energy Services Supervisor
    - Fiber Optic Installation Technician
    - Meter and Energy Service Technician
    - All Lineman
    - Ground Worker
    - Foreman
    - Electricians
    - Heavy Equipment Operators
    - Site Supervisors

    The Cooperative may include additional job descriptions to undergo testing for a broad spectrum of drugs, including psychoactive metabolites, as needed by state or federal law. For all other employees, the Cooperative will not test for non-psychoactive metabolites unless otherwise required to do so by state or federal law.

Formatted: Indent: Left: 1.25", No bullets or numbering

Commented [AC1]: AB 2188 includes an exception for certain industries such as building and construction trades. This list could be left vague for now until all the construction or building jobs are identified. In helping narrow this down it would encompass employees directly involved in physical construction activities

~~3) All Non-DOT tests will be screened for no less than these five drugs of abuse, however the Cooperative may test for more substances, under its own authority.~~

Formatted: Indent: Left: 1.25", No bullets or numbering

B. LABORATORY SAMPLE COLLECTION

All sample collections will be conducted using a Cooperative approved provider. Samples will be collected using strict chain of custody protocol, to ensure each and every sample is properly labeled, secured, packaged and sealed in the employee's presence. All D.O.T. urine samples are then packaged and shipped to the lab for testing.

All Breath Alcohol Testing will be conducted using an approved breath alcohol-testing or screening device. Any sample at or above .04% shall be confirmed using an Evidentiary Breath Tester (E.B.T) operated by certified breath alcohol technicians.

B. NON-LABORATORY SAMPLE COLLECTION (Instant Testing)

Any employee not subject to DOT Federally Regulated Drug and Alcohol Testing may be screened using a Rapid or Instant Test Device. Results are given to the Designated Employee Representative (DER) when all testing is completed. The employee may request a copy at that time.

A positive result may be sent to a certified lab for confirmation as per the protocol described in section A.

C. TEST RESULTS

All test results will be reported to the employer for proper action under this policy. The employee may request a copy of their test results from their employer free of charge or from our testing provider for an additional fee.

a) Test Result Dispute

Any employee wishing to dispute Lab results must do so within 72 hrs. and at their own expense. Immediately contact your management for instructions.

V. EMPLOYEE RESPONSE TO A POSITIVE, ADULTERATED, SUBSTITUTED OR DILUTE TEST

A. CONFIRMED POSITIVE TEST

1. CONDITIONAL NEW HIRE ("New Hire"): The employer will withdraw the conditional offer of employment to any conditional hire, whom the MRO reports as "Confirmed Positive" for illegal drug use.

2. CURRENT EMPLOYEE: The employer will immediately remove the employee from all duties, and conduct a private face-to-face meeting with the employee. At this meeting, the employee will be advised of the findings and will be told of his pending termination. If the employer permits, the employee may be allowed to enter into the Cooperative's Employee Assistance Referral Program (EAP), which is not available to job applicants. If the EAP option is allowed the employer must ensure that the employee follows all the terms of his *Last Chance Agreement (LCA),* to include Substance Abuse Professional (S.A.P.) evaluation, if D.O.T. mandated. The LCA must be signed during this face-to-face meeting, then faxed to our testing provider for proper tracking.
The Cooperative will not allow an employee to return to work until all the terms of the Last Chance Agreement have been completed.

3. If the employee tests positive for any of the semi-synthetic opioid drugs, then as with any other drug test result that is confirmed by the laboratory, the MRO will conduct an interview with the employee to determine if there is a legitimate medical explanation for the result. If the employee has a valid prescription, the employee should provide it to the MRO, who will determine if the prescription is valid. If a legitimate medical explanation is established, the MRO will report the result to the employer as a 'negative'. If not, the MRO will report the result to the employer as 'positive'.

4. If the employer receives a 'positive' drug test result, the employer is to immediately remove the employee from performing safety-sensitive functions and provide the employee with a list of qualified S.A.P. available. In order to return to performing safety-sensitive functions for any DOT-regulated employer, the employee must complete the return-to-duty process that will include an evaluation by a S.A.P., who will require education and/or treatment. The S.A.P. will determine if the employee successfully completed the prescribed education and/or treatment. Before an employer could return the employee to safety-sensitive work, the employer must get a negative

result on a directly observed return-to-duty drug test. After the employee returns to safety-sensitive work, the employee must be subject to directly observed follow-up testing for 12-60 months depending on the S.A.P.'s recommendations.

5. Historically, the DOT's regulation required the MRO to report employee medication use/medical information to a third party (e.g. the employer, health care provider responsible for the employee's medical qualifications, etc.), if the MRO determines in his/her reasonable medical judgement that the employee may be medically unqualified according to DOT Agency regulations, or if the employee's continued performance is likely to pose a significant safety risk. The MRO may report this information even if the MRO verifies the employee's drug test result as 'negative'.

   As of January 1, 2018, prior to the MRO reporting the employee's information to a third party the employee will have up to five days to have their prescribing physician contact the MRO. The employee is responsible for facilitating the contact between the MRO and their prescribing physician. The employee's prescribing physician should be willing to state to the MRO that the employee can safely perform their safety-sensitive functions while taking the medication(s), or consider changing the employee's medication to one that does not make the employee medically unqualified or does not pose a significant safety risk.

B. CONFIRMED ADULTERED OR SUBSTITUTED TEST

CONDITIONAL NEW HIRE/EMPLOYEE: The employer will deny employment to any person who has provided an "Adulterated" or "Substituted" sample. This is considered a "Refusal to Test". An "Adulterated" result means that the Lab & the MRO have discovered a known adulterant that has been added to the sample, which is not consistent with normal human urine. A "substituted" result means that the lab and the MRO have determined that the sample provided is not consistent with normal human urine. *This is considered a "Refusal to Test".*

C. CONFIRMED DILUTE SAMPLE

CONDITIONAL NEW HIRE/EMPLOYEE: There are few reasons for an employee or conditional new hire to produce a "Dilute" specimen. Dilute specimens are caused by ingesting large quantities of liquid just prior to testing, or by taking diuretic supplements in an attempt to flush-out "toxins"" from one's body. Since a "Dilute" (*Specific Gravity of <1.003 and Creatinine*

<20 mg/dL) sample result is unable to give the Cooperative a true and genuine reading of the conditional new hire's/employee's drug free status. The Cooperative, under its own authority, *may require immediate re-testing via hair or saliva and urine* to determine policy compliance.

D. ABNORMAL SAMPLE REPORT

CONDITIONAL NEW HIRE/EMPLOYEE: If a sample is reported by the testing lab as "Abnormal", "Unsuitable", "Unable to Test" or ~~can not~~cannot be tested for any reason, the Cooperative may require an immediate re-test via hair or saliva and urine in order to obtain a reliable test result.

E. UNACCEPTABLE SAMPLE

CONDITIONAL NEW HIRE/EMPLOYEE: If a sample is reported by the Sample Collector as "Out of Temperature", "Suspect Adulterated", "Suspected Substituted" or suspected of being tampered with by any means, the Collector is authorized to recollect another urine sample under same sex direct Observation. This means the Collector must observe the urine leave the donor's body, into the sample cup. The Cooperative may also require retesting via other methods, in addition to re-testing under direct observation. The Cooperative may terminate or deny employment to any employee/applicant for suspected sample tampering.

VI. REFUSAL TO TEST

All employees and conditional new hires are required to immediately undergo drug and/or alcohol testing at the request of the Cooperative, under the terms of this policy. Failing to do so is considered a Voluntary Resignation or Quit.

The following is a partial listing of situations that will constitute a "Refusal to Test" situation.

A. Verbally or physically refusing to submit to testing;

B. The MRO has reported the sample as "Adulterated";

C. The MRO has reported the sample as "Substituted";

D. The MRO or Sample Collector has reported a "Refusal to Test";

E. Adding any substance, other than your own body's urine into the sample collection container(s);

F. Adding water or another's urine into the sample collection container(s);

G. Possessing any material or device used to adulterate, substitute or tamper with the collection process;

H. Presenting a urine sample to the collector which has been substituted or adulterated;

I. Masking your sample by any means which will alter the testing process;

J. Verbally refusing to take a test when ordered by a supervisor or their appointed agent;

K. Physically refusing to report for testing when ordered by a supervisor or their appointed agent;

L. Not reporting on time for testing as directed;

M. Reporting late for a scheduled testing appointment;

N. Delaying or interfering with the collection or testing process by any means;

O. Verbally or physically abusing the sample collector;

P. Refusing to consent for testing as required by the collection site or the Cooperative;

Q. Refusing to supply required testing information such as employee ID number;

R. Supplying false or misleading information to the collector or the Cooperative;

S. Refusing to sign the verification statement on either a breath or drug test form;

T. Refusing to calmly follow the collector's verbal instructions;

U. Refusing to re-test under direct observation when required by the collection site;

V. Attempting to defeat the collection or testing process by any means;

W. Leaving the collection site at any time during the collection process (includes waiting area);

X. Any behavior that limits the Cooperative's ability to obtain a valid sample in a timely manner;

Y. Providing false, misleading or fraudulent identification or information to the sample collector or the Cooperative.

VII. PRE-EMPLOYMENT TESTING PROCEDURES

A. ALL CONDITONAL NEW HIRES

1. All conditional new hires, given a conditional offer of employment, shall be required to submit to Pre-employment drug screening through a Cooperative approved provider ***PRIOR TO JOB PLACEMENT.*** Pre-employment testing is also required of any current or previous employee who has been off work for more than 30 days, to include seasonal employees.

2. All Pre-Employment testing shall be conducted *PRIOR* to the conditional new hire reporting for work with the Cooperative.

3. The Cooperative will make every effort to advise conditional new hires of this drug-testing requirement during the hiring process, via posters, signs and notifications. ***AT NO TIME*** will the Cooperative or supervisor pre-notify the applicant of the exact time and date of impending testing. This must be kept strictly confidential to protect the integrity of the testing process.

B. TYPES OF ACCEPTABLE SAMPLES

Only approved hair, fingernail, saliva, urine or any other testing methods will be used to determine the job applicants "Drug Free" status. One or more samples may be requested, such as hair & urine. F.D.A. approved "Instant" Testing devices or "On-Site" testing devices that offer qualitative results (line/no line) are approved for use by the Cooperative for Non-DOT regulated testing. For certain employees the Cooperative will not test for non-psychoactive metabolites, unless otherwise required to do so by state or federal law.

C. D.O.T. APPLICANTS

1. In addition to the above listed requirements, all D.O.T. regulated applicants must also undergo a three-year background check,

consisting of a written drug and alcohol testing history from the applicant's previous employers. This must include all employers for the past three years. The D.O.T. applicant must complete an "Authorization to Release Private Medical Information" form for each past employer, over the last three years, PRIOR to employment. The applicant is required to give the Cooperative his or her written consent to collect this data PRIOR to hire. Applicants are prohibited from omitting past employer information or giving false or misleading information, during this process.

2. The Cooperative will *NOT* use this applicant in a D.O.T. regulated position until this background check is completed.

VIII. POST ACCIDENT TESTING PROCEDURES

A. ALL EMPLOYEES

In order to conduct a complete and reasonable investigation into the cause of any work-related accident or incident, the Cooperative will require any employee who is involved in or is a contributing factor to any work related accidents/incident to be immediately tested for the presence of drugs ***and*** alcohol, under any of the following conditions:

1. Any person is injured, which requires professional medical treatment away from the accident/incident scene;

2. Any vehicle(s) or Cooperative property is damaged to a point that it prevents its safe operation;

3. The accident results in the loss of human life;

4. A moving violation citation is issued to the operator, following any incident or accident.

5. The employer feels it is in the company's best interest (Non- DOT related accidents only).

B. TIMING OF TESTING

All testing will be conducted immediately following the incident or accident, or as soon as practical. It is every employee's responsibility to immediately report for post-accident testing, when any of the above situations occur, during compensable work time. The maximum time limit to report for testing is no later than two (2) hours following the incident or accident. Emergency medical treatment shall take precedence over testing. Failing to report for

required testing may result in termination from employment. ~~*If in doubt… CONDUCT TESTING immediately!*~~

C. SUPERVISOR DOCUMENTATION

Any supervisor who orders post-accident testing on an employee, must document his observations, then issue a written report to the Cooperative's General Manager or their designee within twenty-four (24) hours of said observation. The supervisor may use any means available to make this report, such as a written memo, fax, form or any other available written communication. Reporting is mandated! *Employees should be transported to the testing facility to avoid potential accidents or further injury.*

IX. REASONABLE SUSPICION TESTING PROCEDURES

A. ALL EMPLOYEES

To ensure the safest workplace possible for all employees and the general public, the Cooperative may require a drug and alcohol screening of any employee reasonably suspected of using or being under the influence of a drug or alcohol while at work or on the premises of the Cooperative or while on call. ~~any employee to submit to reasonable suspicion drug and alcohol testing~~, ~~when a trained supervisor has reason to believe an employee may be working with a detectable amount of drugs or alcohol within their bodily system.~~

B. THE DETERMINATION TO TEST

1. The Cooperative may, along with its trained supervisors, request that testing be ordered of any employee when impairment or use is reasonably suspected, during compensable work time. Reasonable suspicion may arise from, among other factors, supervisory observation, co-worker reports or complaints, performance decline, behavioral changes, results of drug searches or other detection methods, or involvement in a work-related injury or accident. These determinations must be compared to normal behaviors displayed by the employee on a regular basis. The trained supervisor must observe and document unusual behaviors, such as:
   a. Self-Report of Use
   b. Disoriented Behavior
   c. Extremely Excitable
   d. Distorted Thinking
   e. Constricted Pupils
   f. Dilated Pupils
   g. Poor Coordination

h. Talks Fast
i. Physical Fighting
j. Muscular Tremors
k. Unable to Divide Attention
l. Exaggerated Reflexes
m. Droopy Eyelids
n. Impaired Driving
o. Confusion/Memory Loss
p. Verbal Fighting
q. Impaired Time/Distance
r. Uncontrolled Talkativeness
s. Sniffles/Runny Nose
t. Hallucinations
u. Dry Mouth
v. Thick, Slurred Speech
w. Loss of Time/Place
x. Threatening to Fight
y. Short Attention Span
z. Difficulty Focusing Eyes
aa. Teeth Grinding
bb. Abnormal Behavior
cc. Slow Reflexes
dd. Combative/Violent
ee. Unusual Odors/Smells
ff. Horse Play/Unsafe Behavior

2. The above list is a limited guide to help supervisors make a reasonable determination and is not all-inclusive. The supervisor's main objective is to protect the employee, the workforce and the general public against a *"possibly"* impaired employee.

Commented [AC2]: I don't think is necessary to include this – all that is necessary is reasonable suspicion.

C. TIMING OF TESTING

All testing will be conducted immediately following the observation, or as soon as practical. It is every employee's responsibility to immediately report to their supervisor any suspect employee, when any of the above situations occur, ~~during compensable work time~~during work or on the premises or off-site construction sites. If the employee is reasonably suspected of using or being under the influence of a drug or alcohol t~~T~~he Cooperative will ~~ensure~~ require that the~~e~~ employee report~~s~~ for testing no later than two (2) hours following the initial observation. Emergency medical treatment, if required, shall take precedence over testing. Failing to report for required testing may result in termination of employment. If possible, you should have another supervisor confirm your suspicions prior to confronting the employee, but this is not required. *Employees ~~should~~ will be transported to the testing facility to avoid potential accidents or further injury.*

Commented [AC3]: This recommendation for supervisors could be deleted

D. SUPERVISION DOCUMENTATION

Any supervisor who orders reasonable suspicion testing on an employee, must document his observations, then issue a written report to the Cooperative's General Manager or their designee within twenty-four (24) hours of said observation. The supervisor may use any means available to make this report, such as a written memo, fax, form or any other available written communication.

X. RANDOM/BASELINE TESTING PROCEDURES

A. ALL EMPLOYEES

Commented [AC4]: Random drug testing can only be for those employees with a high degree of responsibility for public safety or health. This section (only A) should be deleted as random drug testing for all employees would not be legal. Only under certain narrow exceptions can you require employees to submit to random drug testing

1. The Cooperative has implemented a random drug and alcohol testing procedure that applies to all employees of the Cooperative. It is designed to help our valued employees resist the temptation to use illegal drugs or misuse alcohol. Furthermore, the Cooperative's compelling interest is to protect our valued employees, customers and the general public from increased accidents, injuries, workplace violence and other negative effects caused by the use of illegal drugs or alcohol misuse. Our random and baseline testing policy shall be routed in socially beneficial factors, which helps protect our workforce.

2. The selection of employees for random alcohol and/or drug testing shall be made by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with the employee's I.D. or Social Security number provided to our testing provider by the employer. Under this selection process, each employee shall have an equal chance of being selected each time a selection is made on behalf of the employer. The Cooperative will provide a detailed employee list to our approved provider any time there is a change in personnel, to ensure the most accurate random selections. D.O.T. regulated employees will be maintained in a separate random pool, to ensure compliance with D.O.T. regulations. Baseline testing will be required at any time the employer desires to reinforce its commitment to a drug and alcohol-free work environment, which will include testing of all employees. Baseline testing may be conducted at any time during the employee's compensable work time.

3. Sample collections may be conducted on-site, at the employer's work location or at a Cooperative approved collection site. All employees are required to cooperate with the sample collector and testing process at all times.

B. D.O.T. REGULATED EMPLOYEES

Commented [AC5]: DOT Regulated Employees under the DOT may be subject to random testing

1. In addition to the above requirements, all D.O.T. regulated drivers will be randomly tested at a minimum rate of 50% per year for drugs and 10% per year for alcohol. The Cooperative may, under its own authority, test at a higher percentage, but no less than the current D.O.T. mandates. Breath alcohol testing shall occur just prior, during or just after performing a "Safety-Sensitive" duty.

2. The following is an example of D.O.T. regulated duties that may require random testing, as a condition of employment. These positions include employees who are in readiness to perform these duties or on-call status.

   a. Operators of Commercial Motor Vehicles;
   b. Operators of vehicles transporting hazardous materials;
   c. Operators of motor vehicles transporting 16 or more passengers, including the driver;
   g. Any other position or task regulated under D.O.T. authority.

C. SAFETY RELATED EMPLOYEES

1. In addition to the above requirements, outlined within section X. paragraph A and B, random drug and alcohol testing will be required for employees working in "*Safety-Related*" duties, such as those employees working in job positions that can lead to serious injury or death, if performed improperly.

2. The following is a limited example of safety sensitive duties that may require random testing as a condition of employment.

   a. Operators of any motor vehicle, forklift, aircraft, boat, train, bus, farm equipment, machinery, factory equipment, etc.;
   b. Employees working with hazardous materials, chemicals or very hot or very cold materials;
   c. Employees who work or repair vehicles or machinery;
   d. Employees who stand guard over another employee's/person's safety;
   e. Employees who work in dangerous situations or hazardous work environments;
   f. Employees working in or around open ditches, trenches, canals, rivers, lakes and the like;
   g. Employees who watch over children or disabled persons;
   h. Police Officers, Security Personnel, Firefighters, E.M.T.'s and the like;

i. Employees working with or around any situation that may lead to serious injury or death to any person.

XI. MEDICATIONS AND, PRESRIPTIONS ~~AND MEDICAL MARIJUANA\~~

A. ALL EMPLOYEES

1. All employees are required to have a written Medical Doctor's prescription, in their own name, from a licensed *United States* Doctor for any controlled substance in their possession during compensable work time, or for any controlled substance or drug found in their bodily system during compensable work time. Written prescriptions from a foreign country will *not* be accepted, such as Mexico or Canada. Violations of this policy will result in termination from employment.

1a. ~~*WORD OF CAUTION*~~

~~*Any employee wishing to fill their written prescriptions in Mexico or another foreign country should first obtain a U.S. Doctor's written prescription prior to attempting to bring a controlled substance back into the United States. U.S. Customs Officers and the Cooperative will require this document prior to bringing a controlled substance back into the United States. Failing to have this U.S. Prescription may subject you to criminal prosecution and/or termination for possession of a controlled substance without a valid United States prescription.*~~

2. All employees are prohibited from performing any task while taking medication (prescription or non-prescription) that may cause impairment, such as drowsiness, sleepiness or hyperactivity. All employees should follow all their doctor's guidance and adhere to the written directions listed on their medication package, such as cautions against driving or operating machinery. Abuse or misuse of any prescription or non-prescription medication or substance is considered a violation of this policy.

3. All employees are required to report any medication use to their supervisor, PRIOR to performing any "Safety-Related" duty for the Cooperative. You are *not* required to disclose the actual name of the prescription medication, only the fact that the medication may cause impaired performance. This may require the employee to submit to a "Fitness for Duty" medical exam by the Cooperative doctor prior to continuing the performance of any "Safety-Related" duty.

~~4. MEDICAL MARIJUANA~~

Commented [AC6]: This paragraph is not needed, could come off as legal advice?

Commented [AC7]: There is no need for a medical marijuana section the above policy already outlines its views on marijuana. Further recreational marijuana use is legal for adults over 21 and would only not be allowed for exempt employees and DOT employees.

~~The State of California's Compassionate Use Act of 1996, which has been codified under California Health & Safety Code 11362.5-11362.83 allows for "Caregivers" and "Qualified Patients" to possess and use "medical Marijuana", under the written direction of a licensed medical doctor. Federal Law and D.O.T. regulations do **not** recognize this law; therefore, all employees are prohibited from all marijuana possession or use. It should be noted, under current law, the State of California Medical Marijuana Card is not recognized by the Federal Government and does not protect the employee from arrest by Federal Agents or Federal Officers.~~

~~As such, the Cooperative does **NOT** permit the use of medical marijuana. Furthermore, this practice is considered prohibited conduct, even if the employee/applicant possesses a State issued "Medical Marijuana Card" or "Doctor's Authorization".~~\

B. MEDICAL REVIEW PROCESS

All employees are required to report specific prescription drug use to the Cooperative's Medical Review Officer (MRO), upon request of the M.R.O. or employer. The M.R.O. will use this confidential information to determine the accuracy and reliability of test results collected and received during the enforcement of this policy. The confidential prescription drug information will not be released to the Cooperative, without the employee's express written consent. However, the M.R.O. may require the employee to submit to a "Fitness for Duty" exam, prior to resuming "Safety-Related" duties for the Cooperative.

XII. FACILITY INSPECTIONS

A. ALL EMPLOYEES

1. In an effort to reduce the potential risk to our employees' safety posed by weapons, firearms, knifes, chemicals, illegal substances and other items, the Cooperative will require that all employees submit to random work area inspections. Therefore, all Cooperative owned property, vehicles, lockers, cabinets, containers or any other object owned or under the control of the Cooperative will be subject to search or inspection at any time, with or without cause. *Therefore, all employees are advised that they will hold no reasonable expectation of privacy while on compensable work time for the Cooperative or while on Cooperative property.*

2. The Cooperative may ask the employee to present personal items for *visual* inspection at any time. Therefore, you should not bring any vehicle, item, container or any object onto Cooperative property that you do not want subject to search. This includes private vehicles parked within the Cooperative's parking lot and/or parked on Cooperative operated job sites.

3. No supervisor will be allowed to request a personal, "hands-on" search of any employee. Further, no supervisor will be permitted to place his/her hands into the pockets or upon the person of any employee for any reason.

Commented [AC8]: Don't know if it's necessary to include this

4. Any employee who refuses a supervisor's reasonable inspection request, will be terminated of employment.

XIII. WORKPLACE VIOLENCE

A. ALL EMPLOYEES

All employees are prohibited from engaging in any activity that encourages or results in an unsafe work environment. This includes verbal arguments, physical pushing or fighting, abusive language, challenging to fight another person, threatening another person, abusive or harassing behavior, or any other activity determined by the Cooperative to be a potential safety risk to our employees, customers or the general public. Our employees are considered professionals and are required to act accordingly.

B. Further, all employees are prohibited from the unauthorized possession or use of the below listed items during compensable work time, or while on Cooperative property or assignments. Please keep in mind that the possession of a "Concealed Weapons Permit" or other "Permit" issued by a law enforcement agency will NOT allow the possession or use of these items while on Cooperative property or assignment. This is a ZERO TOLERANCE POLICY, which will result in termination, even on the first offense.

1. Firearms/Bows: This includes any device that will "fire" a projectile of any shape, size or configuration.

2. Knives: This includes any unauthorized cutting device with a blade measuring over 3",
3. Explosives: This includes any device or instrument manufactured or intended to cause harm to people.

4. Chemicals: This includes Mace, Pepper spray or any other chemical or mixture used to harm people.

5. Any harmful items: This includes any item the Cooperative may determine to be potentially harmful to its employees.

XIV. LAST CHANCE AGREEMENT, EMPLOYEE ASSISTANCE AND EDUCATION, SELF REPORTING

A. ALL EMPLOYEES

1. The Cooperative may elect to allow a current employee, ***not a job applicant,*** who has violated any drug or alcohol related section outlined within this policy, to enter into the Cooperative's Employee Assistance Referral Program, instead of imposing termination. The decision will be solely up to the Cooperative's General Manager, on a case-by-case basis. In no event, will a job applicant be permitted to enter into this program~~, simply to gain employment~~. The Cooperative may impose a "Zero Tolerance" policy, which may result in termination of any employee who violates this policy.

2. The Employee Assistance Referral Program will be contingent upon the employee's willingness to enter into a Last Chance Agreement. The Last Chance Agreement may contain the following requirements:

   a. The employee will be removed from duty for no less than seven (7) calendar days, and may be removed up to thirty (30) days;

   b. The employee may be required to report to a Substance Abuse Professional (S.A.P.) for an evaluation, at their expense;

   c. The employee will be required to seek assistance through community based drug or alcohol programs;

   d. The employee may be required to be re-evaluated by the S.A.P. prior to returning to duty;

   e. The employee will be required to submit to a Return to Duty drug and alcohol test, at their expense;

   f. The employee will be required to submit to a minimum of two (2) years follow-up testing, at their expense;

   g. The Cooperative or the S.A.P. may impose additional requirements, as needed.

C. EMPLOYEE ASSISTANCE AND EDUCATION REFERRAL PROGRAM

Any current employee may seek help, education and assistance with a drug or alcohol related problem free of charge, by calling **1-800-662-HELP**. This national help line will provide printed education materials on drugs and alcohol and direct the employee to available community resources and programs in the area. Employees requesting help through the Employee Assistance Referral Program will not be protected or shielded from testing or discipline required under this policy.

D. DRUG AND ALCOHOL AWARENESS MATERIALS

Any employee may request printed drug and alcohol awareness materials, free of charge by calling **1-800-662-HELP**. The materials will be delivered direct to the employee via US Mail, free of charge.

E. SELF REPORTING OR ILLEGAL DRUG USE OR ALCOHOL ABUSE

Any employee experiencing a problem with drugs or alcohol may self-report their need for assistance to management personnel, or they may call direct to **1-800-662-HELP** for a free referral to a program close to the employee's job assignment. Any employee who self-reports a drug or alcohol problem to management may be required to undergo "Reasonable Suspicion" testing, to determine the employee's ability to safely continue working with the Cooperative. Self-reporting will *not* dismiss an employee from completing required testing under the terms of the policy. However, the Cooperative will make every attempt to assist the employee in finding assistance through community based programs or the Cooperative's Employee Assistance Program, if available. The Cooperative will also require the employee to sign a Last Chance Agreement and abide by its terms of continued employment.

XV. PROGRAM MANAGER AND SERVICE PROVIDERS

A. THE FOLLOWING INFORMATION IS SUPPLIED TO ASSIST OUR EMPLOYEES WITH THEIR QUESTIONS OR CONCERNS

1. Our Designated Employer Representative (DER) is:
   Brian Baharie, Operations Manager 1-951-763-4333
   PO Box 391909, Anza, CA 92539

2. Our Medical Review Officer (MRO) is:
   Sara Rinck MD (714) 418-0130
   CDC 16560 Harbor Blvd Suite A

Fountain Valley, CA 92708

3. Our Third-Party Administrator is:
Ardent Mobile Drug Testing, LLC (951) 837-5892
29970 Technology Dr. Suite 206
Murrieta, CA 92563

~~5.~~4. Our Substance Abuse Professional (SAP) is:
American Substance Abuse Professionals, Inc.
711 West 40th Street-Ste 235
Baltimore, MD 21211 1-888-792-2727
or
National SAP Service 1-800-879-6428

~~6.~~5. Our SAMHSA/DHHS Lab is:
MedTox Labs 1-800-832-3244
402 W. County Rd. D
St. Paul, MN 55112

~~7.~~6. Drug and Alcohol Printed Materials (Free):
S.A.M.H.S.A. 1-800-662-HELP

~~8.~~7. Employee Assistance Referral Program (E.A.P.)
S.A.M.H.S.A. 1-800-662-HELP

XVI. LAWS AND REGULATIONS

A. The Federated Drug Free Workplace Act of 1988

B. Department of Transportation Employer Regulations, Title 49 CFR Part 382

C. Department of Transportation Drug and Alcohol Testing Regulations, Title 49 CFR Part 40

Signed: _____
President

Signed: _____
Secretary

Effective Date: December 28, 2006
Revised: January 24, 2008
Reviewed & Signed: October 21, 2008
Reviewed & Signed: November 24, 2009
Revised: October 28, 2010
Reviewed & Signed: October 27, 2011
Revised: October 25, 2012
Reviewed & Signed: October 24, 2013
Revised: April 24, 2014
Reviewed & Signed: October 23, 2014
Reviewed & Signed: October 22, 2015
Revised: October 27, 2016
Reviewed & Signed: October 24, 2017
Revised: January 26, 2018
Revised: October 25, 2018
Reviewed & Signed: September 19, 2019
Reviewed & Signed: October 22, 2020
Reviewed & Signed: October 28, 2021
Reviewed & Signed: October 27, 2022
Reviewed & Signed: November 17, 2023

NOTICE OF TERMINATION

Employee Name: _____ **SSN:** _____

The above listed employee has been terminated from employment for violation of the companies written
Policy(s). The following violation(s) resulted in this employee's termination:

1: _____ Date: _____

2._____ Date: _____

3._____ Date: _____

4._____ Date: _____

Therefore, you are hereby terminated as of _____AM/PM, _____, 20_____.

The employee is instructed to turn in all company owned property, keys, uniforms, equipment and any other company owned property prior to 4PM tomorrow. A final paycheck will be issued **immediately after** written notice.

The employee was issued/mailed a copy of this "Termination Notice" with the below listed information:

- If needed, you may obtain help for a drug or alcohol problem by calling Toll Free to 1-800-662-HELP.
- If needed, you may seek the help of a Substance Abuse Professional (S.A.P.) by calling 1-800-854-9211.
- You may obtain unemployment information (E.D.D.) by calling (760) 339-2700.

Without admitting any violation, my signature below signifies that I received a copy of
This Termination Notice as presented to me by the above company.

_____ _____
Separating Employee **Date** **Company Manager** **Date**

Did employee refuse to sign? _____ Final Check Issued? _____
Equipment/Keys? _____ Uniforms? _____
Employee removed all personal effects? _____

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 408.2

DRUG PREVENTION POLICY AND PROCEDURES

OR

STATEMENT OF UNDERSTANDING

XIII. EMPLOYEE ACKNOWLEDGMENT

I _____ have read and understand Anza Electric Cooperative, Inc. Drug Prevention Policy and Procedures, Board Policy No. 408.2.

I understand and agree that I have elected to work under these rules as a condition of continued employment with Anza Electric Cooperative, Inc.

I further understand that failure to abide by these rules in the future will result in disciplinary action or termination as determined by my employer.

Signature: _____ Date: _____

Department: _____ Supervisor: _____

ARTICLE III
MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. The meeting of the members shall be held prior to October 31 of each year, the dates for such meetings to be established by the Board of Directors, at such place within the boundaries of the Cooperative's service area, as shall be designated on the notice of meeting, for the purpose of electing directors, passing upon reports for the previous fiscal year and transacting such other business as may properly come before the meeting.

It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 2. SPECIAL MEETING. A special meeting of the members may be called upon written request by a majority of the Board of Directors, or by five per cent or more of all the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. A special meeting of the members may be held at any place within the area served by the Cooperative, specified in the notice of the special meeting.

SECTION 3. NOTICE OF MEMBERS' MEETINGS. Written or printed notice stating the place, day or hour of the meeting and, in case of a special meeting or annual meeting at which business requiring special notice is to be transacted, the purpose for which the meeting is called, shall be delivered not less than 10 days nor more than 90 days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting; to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the member's address as it appears on the records of the Cooperative, with postage thereupon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at such meeting.

SECTION 4. QUORUM. 50 members present in person shall constitute a quorum. The minutes of each meeting shall contain a list of the members present in person.

SECTION 5. VOTING. Each member shall be entitled to a vote at a meeting of the members. All questions shall be decided by vote of a majority of the members voting thereon in person except as otherwise provided by law, the Articles of Incorporation or these By-laws.

SECTION 6. VOTE OF ABSENTEES. At any meeting of the members, the written vote of an absent member, signed by the member, shall be received and counted if (a) the member has been previously notified, in writing of the exact motion, resolution, or nomination upon which the vote is taken, and (b) a copy of

the motion, resolution, or nomination has been forwarded with, and attached by the member, to the written vote. A member who submits a vote under this Section shall be counted as "present" for the purposes of obtaining quorum under Section 4, but only for the purpose of obtaining quorum with respect to the proposed motion, resolution, or nomination voted upon in the absentee member's ballot.

SECTION 7. ORDER OF BUSINESS. The order of business at the annual meeting of the members, shall be essentially as follows except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person in order to determine the existence of a quorum.

2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.

3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.

4. Presentation and consideration of reports of officers, directors and committees.

5. Election of directors.

6. Unfinished business.

7. New business.

8. Adjournment.

Notwithstanding the foregoing, the Board of Directors or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier consideration of and action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business; provided that no business other than adjournment of a meeting to another time and place may be transacted until and unless the existence of a quorum is first established.