



SUBSTANCE ABUSE POLICY

I. PURPOSE AND SCOPE

The Pate Group does not condone any form of substance abuse. To help ensure a safe, healthy, and productive environment for all internal and external company employees and others on our client work sites and property, the company has adopted a policy of maintaining a working environment that is free of the problems associated with the abuse of controlled substances (including narcotics and drugs) and alcohol. The use of controlled substances and the abuse of alcohol is inconsistent with the behavior of employees on company property or The Pate Group client's property and subjects the company to unacceptable risks of workplace accidents and other events that undermine the company's (or client's company) ability to operate effectively and safely. Such activities by employees also have the potential to adversely affect the quality of the services we provide to our customers.

All employees of The Pate Group, both external and internal, including exempt, nonexempt, (hourly employees) are required to comply with this substance abuse policy as set forth herein.

I. DISCIPLINE AND TERMINATION

Any employee or other person who violates this policy will be subject to the following procedures:

- A. Any employee who uses, sales, possesses, distributes, or is under the influence of controlled substances or alcohol, or arranges for the distribution of alcohol, controlled substance, or drug-related paraphernalia on company (or The Pate Group client) property or who is in violation of the policy will be terminated.
- B. Any employee who tests positive or who refuses to submit to a drug or alcohol test or sign any form incidental to the policy will be terminated.
- C. Employees who are administered a drug or alcohol test during their normal business hours shall be compensated up to their normal scheduled work hours at their regular rate of pay. In addition, where the time for such a test occurs where the employee is working beyond the normal scheduled work hours or extends beyond the normal work hours pay will be at the rate of one hour at the regular rate of pay. Employees who are off duty when taking such a test shall receive up to one hour of pay at their regular rate of pay, excluding travel time to and from the testing facility.

This policy supersedes any prior company policy and or agreement relating to substance abuse.

II. TESTING AND SEARCHES

While not all applicants will be required to provide a urine sample for the purpose of detecting controlled substance as a part of pre-employment selection procedures, an applicant who refuses to submit to a drug test or who tests positive will not be considered for employment for a period of twelve months.

- A. Employees of the company will be required to as a condition of continued employment to provide a urine/blood sample for the purpose of detecting controlled substances and alcohol under the following circumstances:
1. Reasonable Suspicion¹
 2. When an employee is involved in an accident or incurs an on the job injury
 3. On a random basis

The Pate Group reserves the right to search any person entering company property, and to search property, equipment and storage areas for illegal drug paraphernalia, controlled substances, alcohol or other substances proscribed by this policy. Property that may be searched includes desk, closets, lockers, lunch boxes and toolboxes, cabinets, and personal effects. Searches may be conducted by company officials, clients of company officials, or authorized search and inspection specialists.

III. TESTING AND FACILITIES AND CONFIDENTIALITY

All testing incident to this policy will be conducted by National Institute on Drug Abuse (NIDA) approved laboratories, clinics or in-house, accurate testing methods will be utilized and careful chain-of-custody procedures will be followed. To the extent reasonable, the company will keep test results and other information acquired in the administration of the policy confidential.

IV. PROHIBITED SUBSTANCES AND CONDUCT

The non-prescriptive use, sale, possession, distribution, disposition, manufacturing or transfer of controlled substances, drug-related paraphernalia, or the use of or being under the influence of alcohol² during working hours is **strictly prohibited**.

¹ Reasonable suspicion means suspicion based on the appearance, behavior, speech or breath odor of the employee, or other circumstances that leads the company to believe or suspect that the employee is using or under the influence of controlled substances or alcohol.

² For purpose of this policy, the term controlled substances include substances listed in schedules 1-V of the federal controlled substances Act, 21 U.S.C. 812. Those substances include narcotics including, but not limited to, marijuana, cocaine, (including “crack” and other cocaine derivatives), morphine, heroin, amphetamines, and barbiturates. The term does not include those substances used pursuant to and in accordance with a valid prescription. The term “drugs” include both illegal drugs and otherwise legal but illicit used substances. An “illegal drug” is defined as any substance which an individual may not sell, possess, use or distribute under the laws of the federal government or any state in which an individual is employed or working. An “otherwise legal but illicit used substance” includes prescription drugs and purposes or in accord with the terms of the prescription. Alcohol includes all beers, wines, and all liquors regardless or the quantity, which are defined and controlled and or federal liquor laws.

Further prohibited is the use, sale, possession, distribution, manufacture, or transfer of controlled substances during non-working hours to the extent such activities impairs his/her job or where such activities affect the reputation and integrity of the company. For purposes of this policy, company property of said company's clients, includes all property, facilities, offices, buildings, structures, parking areas, fixtures, installations, equipment, automobiles, trucks, and other vehicles.

V. GENERAL

The Pate Group has a firm **no tolerance** of any violation. Violators will be terminated immediately.

SUBSTANCE ABUSE TESTING POLICY

Business Office – under the direction of the Operations Manager, effective immediately employees will be subject to random drug screening as follows:

The following procedure is to be followed for random drug testing:

1. 50% of all internal employees will be tested yearly. 25% of the employees will be randomly selected in August and another 25% will be selected the following February excluding the 25% who previously were tested..
2. Employees will be notified in writing of the time they are scheduled to go to our designated laboratory during working hours.
3. The Pate Group will pay for time outside of normal working hours to non-exempt employees only and mileage upon submittal of an expense report to the business office.