



# COMPANY HANDBOOK

## Sullivan's Foods Stores

- Freeport
- Kewanee
- Lena
- Marengo
- Mendota
- Morrison
- Mt Morris
- Princeton
- Savanna
- Stockton
- Winnebago

- Savanna Home & Hardware ACE
- Sullivan's ACE Mendota
- Sullivan's ACE Winnebago

## WELCOME

Welcome to Sullivan's Foods. We are pleased to have you as part of our staff. In order to help you understand the work of Sullivan's Foods, and to allow you to do the best job possible, we have prepared this manual which is intended to give you an understanding of what is expected from you and what you can expect from Sullivan's.

By far the most important part of your job at Sullivan's is creating and maintaining good guest relations. Our guests are the most important people in the world, and our policy is to give them the most prompt, efficient, and courteous service possible.

Satisfactory performance on your job will depend greatly upon your ability to promote good guest relations. If there were no guests, there would be no jobs! You can see how important it is to treat our guests so well that they wouldn't think of shopping anywhere but Sullivan's. Whenever our doors are open we are inviting the public to come in and be our guests. Be sure to treat them accordingly.

When we employ you we expect, in return for your pay and employee benefits, conscientious service, cooperation with the management and administration and sincere loyalty. Your work at Sullivan's is important! We need you, your cooperation, and your understanding to make Sullivan's successful!

We are happy that you are with us and hope that your association with Sullivan's Foods will be mutually enjoyable and rewarding.

Sincerely,

The Sullivan Family

## **HISTORY AND GROWTH**

Sullivan's Foods first originated in 1967 in Savanna, Illinois. Since that time Sullivan's Foods has made much progress and has continued to grow. Throughout the years Sullivan's Foods has purchased stores, remodeled stores, and built new stores. Sullivan's Foods has been primarily located in Northern Illinois.

Although the Sullivan's Foods stores vary in size and employee numbers, along with a wide geographic radius, the beliefs and philosophy of the stores remain the same. In recent years we have added ACE Hardware to our business. At present we have one ACE Hardware operating as a department within a grocery store and two ACE Hardware stores that are owned and operated by Sullivan's in independent settings.

We contribute the reputation that Sullivan's Foods enjoys and the successful growth of the company to :

- 1) clean, modern and pleasant supermarkets filled with quality merchandise at competitive prices and
- 2) genuinely warm, friendly, and courteous service. Sullivan's Foods takes pride in our facilities and we take pride in the fine people who make Sullivan's Foods the supermarkets that they are.

Sullivan's Foods currently is serviced by Affiliated Whole Sale Grocers also known as AWG. Sullivan's Foods believes that our affiliation with this company gives us the leading competitive advantage.

As an employee of Sullivan's Foods you also allow us to fulfill our philosophy. It is you the employee that becomes the vital link in fulfilling the exciting challenges facing us in the years ahead for delivering the needs of the consumer in a progressive and enchanting supermarket.

## **MISSION STATEMENT**

We are Sullivan's Foods, a customer service team where are #1 priority is to treat our customers as we would want to be treated. Our purpose is to provide the widest variety of quality goods and service while keeping in mind the value of our customer dollars. Our success will always be measured by how well we service the needs of our communities. Come and grow with us the stores where the customer is always comes first!

## TEN COMMANDMENTS OF GOOD BUSINESS

1. A **Guest** is the most important person in any business.
2. A **Guest** is not dependent upon us; we are dependent upon him.
3. A **Guest** is not an interruption of our work; he is the purpose of it.
4. A **Guest** does us a favor by calling; we are not doing a favor by serving.
5. A **Guest** is part of our business; not an outsider.
6. A **Guest** is not a cold statistic, but a flesh and blood human being with feelings and emotions like our own.
7. A **Guest** is one who brings us his wants; it is our job to fill those wants.
8. A **Guest** is not someone to argue or match with with.
9. A **Guest** is deserving of the most courteous and attentive treatment we can give.
10. A **Guest** is the life blood of this and every other business.

## CUSTOMER COURTESY

Always greet all guests cheerfully, and by name if possible. Be friendly and courteous. Courtesy is contagious: let's **SMILE, SMILE, SMILE!** Give the guest your undivided attention. Never carry on a conversation with another employee while serving a guest. Serve guests in their proper turn. Show interest in guest's shopping needs; pleasantly help locate any article and courteously answer any questions. This means you must get to know the products and every service your store offers. Every time a guest purchases an item, a portion of your salary is being paid.

## CONFIDENTIALITY

In accepting employment at Sullivan's Foods, a person is automatically committed to safeguarding all privileged and confidential information regarding advertising, sales, budgets, etc...

Anyone who knowingly divulges confidential information without appropriate authorization causes a breach of confidence and is subject therefore to immediate disciplinary action.

## QUALITY MERCHANDISE

Our company makes a great effort to select only the finest quality meats, produce, dairy, frozen, grocery, non foods, floral, bakery and deli items. Both guest and employees can be confident of buying the best and paying the lowest possible retail price, quality considered, when shopping at Sullivan's.

## CORRECT PRICES, WEIGHTS, AND MEASURES

It is a firm policy of Sullivan's that guests be charged correct prices and be given accurate weights and counts at all times.

## MONEY - BACK GUARANTEE

Purchases must be satisfactory to the guest. Though we do our best not to give cause for complaints, occasionally they do arise. Guests are also urged to report any product which does not meet their expectations. Thus, be just as cheerful and courteous with the guest in making an exchange or securing a refund as if the guest is making a purchase. If you are authorized to handle adjustments, make whatever one is satisfactory to the guest. Otherwise, listen courteously to the complaint and then refer them to the store manager. Never argue with a guest.

## ADVERTISING PHILOSOPHY

It is our policy to be truthful in all advertising, never using phrases, prices, or markings that may mislead or be misunderstood. All advertised items must be of regular good quality, in stock, and prominently on display during the course of the ad. If the advertised item should run short, managers should make a substitution representing an equal or better value or issue a "courteous check", good within 10 days for the item at the advertised price.

## LATEST FEATURES

Progress requires changes! Don't be surprised if stores look pleasantly different frequently. Sullivan's is interested in having the latest equipment, in maintaining maximum operating efficiency, and in having a pleasing and comfortable environment for both its guests and employees.

## CASH TERMS

Sullivan's operates on a strict cash basis for employees and guests. Only under special circumstances, and for institutional accounts, is credit extended.

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## COMMUNITY SERVICE

The People in the communities and rural areas Sullivan's serve are good to Sullivan's and to each of the individual's associated with our business. We owe our existence as a company and our livelihood as individuals to the people who patronize our stores. One way this loyalty can be repaid is through our individual participation in civic, religious, governmental political and service organizations. Sullivan's believes that each person associated with the company has something to offer to the betterment of our communities. You are encouraged to join and actively support such organizations in areas of interest to you for the good of your community and for the satisfaction that such service can bring to you. It should be noted that the company is active in its support of such groups, and contributes to their financial welfare when possible. Over the years, many Sullivan's people have played important roles in their communities.

## PURCHASES

We will appreciate you as a guest as well as an employee. We hope you will take the personal attention given to you.

**No employee may check out their own purchases or those of immediate relatives.** A register receipt must accompany purchases of merchandise for use or consumption on the premises. All products must be paid for prior to consumption. Employees may not do their personal shopping on work time.

## PACKAGES

The store manager or shift supervisor, may check merchandise of store employees on company property before such package leave the store.

## EQUIPMENT

The organization has a large investment in equipment. Proper and careful use of this equipment according to its intended purposes will save needless repairs and premature replacement. Your cooperation will be appreciated. A deposit may be necessary for certain personal equipment you may require. The deposit will be refunded when you terminate your employment, provided the equipment is returned in good condition. If equipment assigned to you is lost or abused the deposit must be forfeited.

## LOST AND FOUND

If you find anything on store property you must turn it into the store office. If, after a one-month period, the owner has not claimed the item, you may claim it.

## HOUSEKEEPING

A clean store is a better place to work. Sullivan's is proud of its housekeeping and wants the entire store and surrounding area to be kept sparkling clean. Since 1967, Sullivan's has maintained a reputation for sparkling clean stores; let's keep this reputation by minimizing waste, damage, and breakage. Help keep your store clean by picking up any loose paper and debris from the floor. Your fellow employees appreciate clean restrooms and break area as much as you, so please do your part to keep them clean. As a department manager it is your job and responsibility to see that a high standard of cleanliness is maintained in your department at all times.

## DAMAGED MERCHANDISE, SAMPLE MERCHANDISE AND PREMIUMS

Broken packages or damaged merchandise is not to be consumed by employees, but turned over to the department manager. All sample merchandise, premiums, and merit coupons must be turned over to the store manager.

## SELLING AND SOLICITATION

Selling or soliciting of any kind, by anyone, is not permitted within the confines of the store property without company approval.

## HONESTY

Every employee will, at times be entrusted with the handling of money and other items of value. As an employee, your honesty and integrity are taken for granted, and we are certain that this will continue throughout your personal life. Sometimes certain employees have foolishly jeopardized their future by dishonest acts. Simply as a matter of information, the company's policy in handling dishonesty is as follows:

1. A thorough questioning and investigation will take place.
2. If the investigation reveals the employee has been dishonest, the employee will be discharged.
3. Everyone who works at Sullivan's is bonded through the bonding company which underwrites the honesty of all who are employed. Restitution will be required by the bonding company and prosecution will be required and resorted to when justified.
4. The facts will become part of the employee's personnel records. We believe and sincerely hope it will not be necessary to take action against anyone.

## REPORTING INJURIES

Employees are required to report any work-related accident or illness within twenty-four (24) hours to their supervisor for proper handling. Any known injury that occurs during a shift should be reported to the supervisor immediately. A 45 form should be completed on all work-related illnesses or injuries.

## CONDUCT AND DISCIPLINE

Whenever and wherever people work together, each person must conform to standards of reasonable conduct. It is particularly true in a supermarket where the actions of one employee may adversely affect the store's standing in the community, and so affect the job security and chances for job opportunity of fellow employees. Accordingly, an employee may be discharged or disciplined for proper cause in order to protect the rights of others. Proper cause for discipline or discharge would include failure to observe the standards of conduct set forth in "The Guide". Sullivan's has purposely avoided establishing rigid rules and regulations concerning your off-the-job behavior. The company does not meddle in the personal affairs of employees until complaints are brought to the attention of the company, then they reluctantly become the company's concern.

Every effort shall be made to help employees correct faults. Discipline shall be a last resort, and in all cases of discipline, consideration shall be given to the seriousness of the offense and the time interval between infractions.

## GETTING ALONG WITH OTHER PEOPLE

Some people have natural ability to win friends with a smile, handshake, or a pleasant word. Others have to work at it and keep trying until they learn to be sincerely outgoing. Being fair, sincere, and cooperative is the easiest way to win friends and keep them, whether they are guests or fellow workers.



## PERSONAL USE OF THE TELEPHONE

Telephones are necessary to conduct business and are limited to such use. Employee calls should be made during breaks or noon hours, and should be limited to three minutes. If you must be reached at work, the message should be left with office, and it will be relayed to you.

## SMOKING AND CELL PHONE USE

"The Illinois Clean Indoor Air Act" found that tobacco smoke is annoying, harmful, and dangerous, so no smoking is allowed in the store. If you must smoke it is to be done **outside the rear of the building**. Smoking is prohibited in the front of the building and please dispose of your cigarette butts properly. Cell phones are not to be carried or used during work-time. Please keep your cell phones in your purse or locker or car.

## TIPS

Tips are often offered to carryout clerks and occasionally to cashiers. Tips are never accepted! All services to guests are offered at no charge; to serve the guest is everyone's job.

## PERSONAL INFORMATION-REPORTING CHANGES

If you move or if your telephone number changes, notify your store manager promptly. Also, call Sullivan's Foods Business Office (815-273-4511) for notification if there is any change in your marital status or in the number of your dependents so that your personnel and payroll records (including the record of deduction from your pay for income tax, insurance, etc.) may be kept to date. The Business Office should also be notified for changes for your Health Insurance, 401K Plan, and address changes.

## PARKING

If you drive to work your store manager can inform you of the parking area designated for employee use. In certain cases employees may be asked to park off the parking lot.

## BULLETIN BOARD

There is a bulletin board in your store on which notices are posted for your information. Look at it frequently, for the information may directly affect you. You are responsible for knowing any information posted on that board. If you desire to post something on the bulletin board, ask your store manager for permission.

## Sullivan's Foods

### Grooming and Uniform Policy

Adopted 9/23/20 with the change in Sullivan's Shirts and Aprons

The food business is a business where personal appearance and cleanliness are most important factors. A well groomed employee in a clean and neat uniform immediately presents a favorable impression to the customers.

Employees should remember the following points in regards to grooming/ personal appearance and the required uniform:

1. Well groomed and styled hair. Hair length for male and females should not overlap the collar of the shirt. If it does it needs to be pulled up and secured during working hours. No extreme hair colors. ( pink, purple, blue, green, aqua, bright yellow etc...)
2. A conservative use of cosmetics.
3. Minimum use of jewelry. No nose rings or facial piercings including eyebrow piercing. Extreme stud piercing is not allowed.
4. No facial tattoos . Extreme tattoos must be covered.
5. Fingernails must be short and well manicured. Fingernail length will be determined by the ability to perform your job functions. Clean hands are a must!
6. No scarfs or loose clothing. ( this is a safety hazard).
7. Moustaches that are well trimmed are allowed, however they should not overlap the upper lip. Beards are prohibited. Employee should be clean shaven. Neatly groomed sideburns are allowed.
8. Personal hygiene is an important part of the professional appearance. Daily bathing, clean hair, brushed teeth, and use of deodorant is essential. Moderate use of perfumes and cologne.
9. Sullivan's Foods associates must wear their name badges at all times.
10. Sullivan's Foods Shirts and Apron. Sullivan's Foods associates must wear the bright green shirts or navy shirts and Sullivan's Foods Navy Aprons. ( Any previously distributed white shirts are no longer allowed). In colder weather Sullivan's Foods Navy Fleece or Navy Pull overs are available. Employees may wear navy colored long sleeved shirt under their green shirts. However the company encourages wear of the fleece and navy pull overs. ( No lounge wear or long underwear type shirts. )
11. Pants must be full length navy pants. They must be clean and neat. No jeggings , yoga pants, blue jeans, lounge wear, or sweat or athletic pants.
12. No open toed shoes. Shoes must be neat clean leather or tennis shoes.

Sullivan's Foods is very proud of our associates and we want you all presenting yourself and our company in a well groomed and professional manner.

## **GENERAL POLICIES AND PROCEDURES**

### **ORIENTATION**

All new associates and rehires will be required to complete the necessary and government mandated documentation of identity and eligibility to work.

New employees will also receive a copy of the Employee Handbook and will be given the time to read it and ask for any clarification. The signed copy of the "Acknowledgement and Receipt of Understanding" will be placed in the employee file.

The various departments may have orientation sheets that the new employee will be asked to sign off on, once they have been informed/ instructed on specific job duties and functions. These departmental orientation sheets will also be placed in the employee file.

Sullivan's Foods also has a mandatory Safety training program that must be completed on hire. Employee are given online the mandated OSHA courses and Sexual Harassment courses. These courses must be completed within one week of hire. Your Store Manager will guide you with this training. Should you have any learning disabilities please inform your Manager so that special accommodations can be made for you.

### **JOB CLASSIFICATIONS**

Employee are classified by being an "Exempt Employee" or a "Non-exempt" Employee. The handbook applies to both Exempt and Non- Exempt employees.

Exempt employees are generally salaried and fall into one or more of the following classifications, executive, professional, managerial or administrative. These employees are exempt from the applicable provisions of state and federal wage and hour laws.

Non-exempt employees are eligible to receive overtime pay in accordance with state and federal wage and hour laws. These are required to submit a time record for each pay period, approved by the appropriate supervisor, for the purpose of tracking hours worked and calculating compensation.

Employees are also classified as either a part-time associate or a full-time associate.

**Full –time:** any employee that is hired or promoted to a full time status and works 35 – 40 hours per week. If an employee does not meet these hours on a regular basis they will be reclassified to a part-time employee. An employee who is part time must be with the company 30 days and work 4 consecutive weeks of 35 hours or more per week before he is reclassified ( excluding time worked from May 1 to September 15). An employee may work full time during that period without being reclassified to a regular full-time employee . Full time employees are eligible for standard company benefits.

**Part-time:** A part-time employee is one who works less than 35 hours each week. It should be noted that employment status is subject to change under the following conditions:

There is an open full-time position available. The part-time employee may contact the Store Manager and request to be considered for full-time position. This must be approved by the Human Resource Director.

**Returning Employees:** Sullivan’s Foods is fortunate to often have high school and college students who return to work at Sullivan’s over the holidays and summers. To maintain their initial hire date they must work a minimum of every 12 weeks. If they fail to do so they will be terminated from Sullivan’s Foods. If there is a position open upon their request to return to work at Sullivan’s, they will start with a new hire date. Any benefits will be accrued from their new hire date.

## **STANARD EMPLOYMENT PRACTICES**

### **AT WILL EMPLOYMENT**

Sullivan's Foods does not offer tenured or guaranteed employment. Unless Sullivan's Foods has otherwise expressly agreed in writing, your employment is at will and may be terminated by you or by Sullivan's Foods at any time, including after the evaluation period.

### **EQUAL EMPLOYMENT OPPORTUNITY**

Sullivan's Foods is an Equal Opportunity /affirmative action employer. Sullivan's will not tolerate discrimination against any employee because of race, color, national origin or ancestry, gender, age, religious convictions, or disability.

Sullivan's Foods is committed to providing equal employment opportunities to all individuals without regards to race, color, religion, sex, national origin, age, disability, marital status, sexual orientation, or any other characteristic protected by law. For further information about the applicability of Federal Equal Opportunity Laws, including the American's with Disabilities Act, Equal Pay Act, the Age Discrimination in Employment Act.

Sullivan's Foods does not discriminate on the basis of gender in compensation or benefits for women and men who work in the same establishment and perform jobs that require skill, and responsibility and which are performed under similar conditions.

Sullivan's Foods will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in undue hardship. An employee with a disability for which reasonable accommodation is needed should contact the Human Resource Manager to discuss possible solutions.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of the Human Resource Manager. Employee can raise legitimate concerns and make good faith reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including discharge.

## **STANDARDS OF CONDUCT**

Sullivan's Foods expects that all employees conduct themselves in a reasonable and ethical manner. An employee should not conduct business that is unethical in any way, nor should an employee influence other employees to act unethically. Furthermore, an employee should report any dishonest activities or damaging conduct to an appropriate supervisor.

In the event that you become aware of another employee's behavior or actions, which you believe are inappropriate, illegal, problematic, or in any way inhibit or affect your job performance or the Sullivan's Foods work environment, you should discuss such behavior or actions with the Store Manager or Human Resource Director. All reasonable concerns will be promptly, thoroughly and confidentially investigated by Sullivan's Foods and where necessary corrective action will be taken. You should not discuss such actions or behaviors with other Sullivan's Foods employees. Your discussing such matters with other associates may – in and of itself – create an unacceptable work environment for which you will be held responsible and for which you may be disciplined in accordance with Sullivan's Foods disciplinary policy.

Sullivan's Foods will make every effort to help employees correct faults. Discipline shall be a last resort, and in all cases of discipline, consideration shall be given to the seriousness of the offense and the time interval of and between infractions.

## **PERSONNEL FILE**

Sullivan's Foods keep personnel files on each of its employees. These files are confidential in nature and are managed by the Store Manager and the Human Resource Director. They will not be copied or removed from the premises unless there is a legitimate reason to do so.

All employees may view his or her personnel file by contacting the Human Resource Director during normal business hours. No employee may alter or remove any document in his or her personnel file.

## **SEXUAL AND OTHER UNLAWFUL HARASSMENT**

Sullivan's Foods will endeavor to maintain a work environment that nourishes respect for the dignity of each individual. This policy is adopted in furtherance of that tradition.

It is against the policies of Sullivan's Foods for an employee to harass another person because of person's sex, race, religion, national origin, age, disability, sexual orientation, marital status, or other characteristic protected by law. Actions, words, jokes, pictures, video's or comments based on such characteristics will not be tolerated.

## **IMMIGRATION LAW COMPLIANCE**

Sullivan's Foods follows all Immigration Laws and Compliance that are set by our Government. Sullivan's Foods does not hire anyone that is not a citizen of the United States, or is not a non-citizen that is authorized to work in the U. S. under the Immigration Reform and Control Act of 1986. As a condition of employment, all new and past employees must show valid proof that they are eligible to work in the United States. The I-9 form contains a check list of documents that Sullivan's may accept as evidence of an applicant's legal status. AT the end of the i-9 form Sullivan's Store Manager or Representative must sign and oath that he or she believes under penalty or perjury that the documents provided by the applicant or new hire are valid.

## **PROBATIONARY PERIOD**

During the first 30 days of your employment with Sullivan's Foods you will be in an evaluation period. During this time, your supervisor will continually evaluate your performance and compatibility with Sullivan's foods. Should your performance not meet the standards set forth by Sullivan's or your supervisor, your employment will be terminated.

## **REMOTE WORK**

Due to the nature of our business, we believe it is important for good communication and work continuity that our staff work in the office and the stores. Remote work is to be done only at a last resort when necessary. This must be approved by Sullivan's Administration.

## **Overview of the Family and Medical Leave Act**

The U.S. Department of Labor's Employment Standards Administration, Wage and Hour Division, administers and enforces the Family and Medical Leave Act (FMLA) for all private, state and local government employees and some federal employees. Most Federal and certain congressional employees are also covered by the law and are subject to the jurisdiction of the U.S. Office of Personnel Management or the Congress.

FMLA became effective on August 5, 1993, for most employers. If a collective bargaining agreement (CBA) was in effect on that date, FMLA became effective on the expiration date of the CBA or February 5, 1994, whichever was earlier. FMLA entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. The employer may elect to use the calendar year, a fixed 12-month leave or fiscal year, or a 12-month period prior to or after the commencement of leave as the 12-month period.

The law contains provisions on employer coverage; employee eligibility for the law's benefits; entitlement to leave, maintenance of health benefits during leave, and job restoration after leave; notice and certification of the need for FMLA leave; and protection for employees who request or take FMLA leave. The law also requires employers to keep certain records.

### EMPLOYER COVERAGE

FMLA applies to all:

- Public agencies, including state, local and federal employers, local education agencies (schools) **and**
- Private-sector employers who employed 50 or more employees in 20 or more workweeks in the current or preceding calendar year **and** who are engaged in commerce or in any industry or activity affecting commerce — including joint employers and successors of covered employers.

### EMPLOYEE ELIGIBILITY

To be eligible for FMLA benefits, an employee **must**:

- Work for a covered employer;
- 
- Have worked for the employer for a total of 12 months;
- 
- Have worked at least 1,250 hours over the previous 12 months; and
- 
- Work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.



## LEAVE ENTITLEMENT

A covered employer must grant an eligible employee up to a total of 12 workweeks of **unpaid** leave during any 12-month period for one or more of the following reasons:

- For the birth and care of the newborn child of the employee;
- For placement with the employee of a son or daughter for adoption or foster care;
- To care for an immediate family member (spouse, child, or parent) with a serious health condition; **or**
- To take medical leave when the employee is unable to work because of a serious health condition.

Spouses employed by the same employer are jointly entitled to a **combined** total of 12 work-weeks of family leave for the birth and care of the newborn child, for placement of a child for adoption or foster care and to care for a parent who has a serious health condition. Leave for birth and care, or placement for adoption or foster care must conclude within 12 months of the birth or placement.

Under some circumstances, employees may take FMLA leave intermittently — which means taking leave in blocks of time, or by reducing their normal weekly or daily work schedule.

If FMLA leave is for birth and care or placement for adoption or foster care, use of intermittent leave is subject to the employer's approval. FMLA leave may be taken intermittently whenever **medically necessary** to care for a seriously ill family member, or because the employee is seriously ill and unable to work.

Also, subject to certain conditions, employees **or** employers may choose to use accrued **paid** leave (such as sick or vacation leave) to cover some or all of the FMLA leave. The employer is responsible for designating if an employee's use of paid leave counts as FMLA leave, based on information from the employee. "**Serious health condition**" means an illness, injury, impairment, or physical or mental condition that involves either:

1. Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility and any period of incapacity or subsequent treatment in connection with such inpatient care; **or**
2. Continuing treatment by a health care provider which includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities) due to:
  - 2.01 A health condition (including treatment therefore, or recovery therefrom) lasting more than three consecutive days and any subsequent treatment or period of incapacity relating to the same condition, that **also** includes:
    - Treatment two or more times by or under the supervision of a health care provider; **or**

- One treatment by a health care provider with a continuing regimen of treatment; or
- Pregnancy or prenatal care. A visit to the health care provider is not necessary for each absence; or
- A chronic serious health condition, which continues over an extended period of time, requires periodic visits to a health care provider and may involve occasional episodes of incapacity (e.g., asthma, diabetes). A visit to a health care provider is not necessary for each absence; or
- A permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal cancer). Only supervision by a health care provider is required, rather than active treatment; or
- Any absences to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three days if not treated (e.g., chemotherapy or radiation treatments for cancer).

**"Health care provider"** means:

1. Doctors of medicine or osteopathy authorized to practice medicine or surgery by the state in which the doctors practice; **or**
2. Podiatrists, dentists, clinical psychologists, optometrists and chiropractors (limited to manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice and performing within the scope of their practice, under state law; **or**
3. Nurse practitioners, nurse-midwives and clinical social workers authorized to practice and performing within the scope of their practice, as defined under state law; **or**
4. Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts; **or**
5. Any health care provider recognized by the employer or the employer's group health plan benefits manager.

#### MAINTENANCE OF HEALTH BENEFITS

A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.

In some instances, the employer may recover premiums it has paid to maintain health coverage for an employee who fails to return to work from FMLA leave.

## JOB RESTORATION

Upon return from FMLA leave, an employee must be restored to the employee's original job, or to an equivalent job with equivalent pay, benefits and other terms and conditions of employment.

In addition, an employee's use of FMLA leave cannot result in the loss of any employment benefit that the employee earned or was entitled to **before** using FMLA leave, nor be counted against the employee under a "no fault" attendance policy.

Under specified and limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, an employer may refuse to reinstate certain highly-paid "**key**" employees after using FMLA leave during which health coverage was maintained. In order to do so, the employer must:

- Notify the employee of his/her status as a "key" employee in response to the employee's notice of intent to take FMLA leave;
- Notify the employee as soon as the employer decides it will deny job restoration and explain the reasons for this decision;
- Offer the employee a reasonable opportunity to return to work from FMLA leave after giving this notice; **and**
- Make a final determination as to whether reinstatement will be denied at the end of the leave period if the employee then requests restoration.

A "**key**" employee is a salaried "eligible" employee who is among the highest paid ten percent of employees within 75 miles of the work site.

## NOTICE AND CERTIFICATION

Employees seeking to use FMLA leave are required to provide 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. Employers may also require employees to provide:

- Medical certification supporting the need for leave due to a serious health condition affecting the employee or an immediate family member;
- Second or third medical opinions (at the employer's expense) and periodic recertification; **and**
- Periodic reports during FMLA leave regarding the employee's status and intent to return to work.

When intermittent leave is needed to care for an immediate family member or the employee's own illness and is for planned medical treatment, the employee must try to schedule treatment so as not to

unduly disrupt the employer's operation.

Covered employers must post a notice approved by the Secretary of Labor explaining rights and responsibilities under FMLA. An employer that willfully violates this posting requirement may be subject to a fine of up to \$100 for each separate offense.

Also, covered employers must inform employees of their rights and responsibilities under FMLA, including giving specific written information on what is required of the employee and what might happen in certain circumstances, such as if the employee fails to return to work after FMLA leave.

### UNLAWFUL ACTS

It is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided by FMLA. It is also unlawful for an employer to discharge or discriminate against any individual for opposing any practice, or because of involvement in any proceeding, related to FMLA.

### ENFORCEMENT

The Wage and Hour Division investigates complaints. If violations cannot be satisfactorily resolved, the U.S. Department of Labor may bring action in court to compel compliance. Individuals may also bring a private civil action against an employer for violations.

### OTHER PROVISIONS

Special rules apply to **employees of local education agencies**. Generally, these rules provide for FMLA leave to be taken in blocks of time when intermittent leave is needed or the leave is required near the end of a school term.

Salaried executive, administrative and professional employees of covered employers who meet the Fair Labor Standards Act (FLSA) criteria for exemption from minimum wage and overtime under Regulations, 29 CFR Part 541, do not lose their FLSA-exempt status by using any unpaid FMLA leave. This special exception to the "salary basis" requirements for FLSA's exemption extends only to "eligible" employees' use of leave required by FMLA.

The FMLA does not affect any other federal or state law, which prohibits discrimination, nor supersede any state or local law which provides greater family or medical leave protection. Nor does it affect an employer's obligation to provide greater leave rights under a collective bargaining agreement or employment benefit plan. The FMLA also encourages employers to provide more generous leave rights.

## **EMPLOYEE PROMOTIONS, JOB CHANGES AND TRANSFERS**

There are times when you may become interested in advancement, in a transfer, or in a job change. This can either occur within your own department, or for an open position in another department or store location. You should make your interest known to your Store Manager and / or Sullivan's Foods Human Resource Department. It is the policy of Sullivan's Foods to promote or transfer employees who have demonstrated abilities greater than those required on the current job or who's skills can be better utilized in another area.

The basis criteria for such actions will be past overall performance, attendance, and punctuality and the anticipated ability of an employee to meet the performance requirements for the open position. However, there is no guarantee, in the event that there is an outside applicant, who is more qualified.

## **PAYROLL DEDUCTIONS**

There are three deductions that must be taken from your paycheck. These are Social Security, Federal Income Tax and State Income Tax. Other deductions , such as Health/Dental/ RX and Uniform Deductions will be made only with your permission.

## **EMPLOYEE REST PERIOD**

You are entitled to a paid fifteen ( 15) minute rest period for each work period consisting of 4 hours or more. Rest Periods are to be scheduled and controlled by your supervisor/ Department Head, so as not to disrupt the business. You must punch in and punch out for your rest periods.

## **EMPLOYEE MEAL PERIODS**

You are entitled to take an uninterrupted minimum of one-half ( ½) hour off for mealtime if you work more than six (6) consecutive hours. Meal times are not included in hours of employment and are therefore unpaid. Time taken for meal periods must be shown on your time card via use of the time clock. Eating at your work station is discouraged.

## **WORK SCHEDULE / SUBSTITUTION / TRADING**

Sullivan's Foods has a formal substitution / trading form that is to be completed when a co-worker is working for an employee. As an employee of Sullivan's Foods, once the work schedule is completed and posted by management, it becomes your responsibility to cover your scheduled work shifts. Sullivan's realize that sometimes there are unexpected events that do occur, therefore we allow for you to find a substitute to fill your work hours. However, if the person you ask to trade or work hours for you normally works a different position, then it must be ok'd by the store manager prior to the change. Additionally, the person who is working for you cannot be in an overtime situation, because of the hours they are working for you. Both parties must sign the appropriate form. The individual who has agreed to work the hours will then ultimately be responsible for the work hours. The forms must be completed and turned into management /department manager within 8 hours of the change.

## **EMPLOYEE EMERGENCIES WHILE WORKING**

If it becomes necessary to leave the facility during your work shift for personal reasons, your supervisor should be contacted and approval to leave must be secured prior to your leaving. In an extreme emergency, and if your supervisor or store manager is not available, the next higher level of supervision must be contacted.

## **MANDATORY MEETINGS**

Employees may be required to attend mandatory meetings. Mandatory meetings are minimal thus if a mandatory meeting is scheduled then it is of great importance that you attend.

## ATTENDANCE AND PUNCTUALITY

Punctuality and regular attendance are important to the smooth operation of Sullivan's Foods. If you are consistently late or excessively absent, Sullivan's Foods ability to perform work is affected and an unfair burden is placed on your co-workers. Therefore, unless your absence is permitted or excused under Sullivan's holiday, vacation, sick or other policies, you are responsible for being at work and arriving on time. If you are going to be absent or late, it is your responsibility to call your *supervisor or store manager*, as soon as possible, but no later than within two hours of the scheduled work time. In the event that the store manager or your direct supervisor is not present, you must speak with the shift manager. It is unacceptable to leave a message with service desk clerks, or co-workers. The circumstances for tardiness must be unavoidable.

Frequent absenteeism and / or tardiness shifts the workload to your fellow employees and makes it more difficult for them, not to mention the effect that it has on our guests. Your record of attendance and punctuality is important to you as well, because it is one of the primary factors in regard to future references consideration for promotions, pay increases and even perhaps your retention as an employee of Sullivan's Foods. Problems in this area will be subject to appropriate disciplinary action, up to and including discharge.

## AVAILABILITY FOR WORK

Employee must be available for work during normal business hours. If for any reason, there is a change in your work availability status, you must notify your supervisor at least one week prior to the change. This notice must be in writing and must be given to the department manager or store manager 10 days in advance. A written note by the employee does not approve or disapprove an automatic change in your work schedule.

## **PAYROLL AND PAY PERIODS**

Pay periods are every two weeks on Saturday. The two-week pay period begins on Sunday and ends 14 days later on Saturday. For payroll purposes employees working the night shift ( 11:00 PM to 7:00 AM) are considered as working on the date that they punched in. Pay Days are the Saturday following the end of the pay period. Sullivan's Foods advocates Direct Deposit for your pay. Upon hire you will be asked to complete your banking information, as Sullivan's Foods does Direct Deposit for your payroll into the bank of your choice. The account that you select may be a savings or checking account. Please know that Sullivan's Foods can only deposit into the bank that you give, and does not have any direct access to your account or account information. Although there are many advantages to direct deposit, many employees report that their pay check dollars are often in their accounts as early as Friday mornings. Employees who do participate in the Direct Deposit will still receive their earning statements. Those individuals who do not participate in direct deposit will have their pay checks mailed to the store, and in which they will be available for pick up on Saturday. Because Sullivan's Foods cannot control the mail, we strongly encourage the use of Direct Deposit. Pay checks can only be claimed by the employee in person unless someone is given a written and signed authorization note to claim the pay check. In such cases the note must bear; the employee request and signature, the date, and the name of the individual designated to pick up the check. Payroll checks must be cashed within 30 days of the issue date. Any questions regarding pay or pay checks should be brought to the attention of the Store Manager, Department Manager or Human Resource Director.

## **EMPLOYEE TIME CLOCK PROCEDURES**

Employees are to punch in at the time clock at the time that you are scheduled to work. You should punch in no sooner than four (4) minutes before you are scheduled to start work, (Unless requested by management). You are to punch out immediately after completing your work. You are required to punch in and punch out for your rest periods, lunch period and dinner breaks. You are to use only your time clock badge, and under no circumstance shall you punch in or out for a fellow employee. Violation of this rules subjects an employee to disciplinary action. Those individuals who work at multiple locations your name badge bar code will swipe at all locations.



## **OVERTIME**

Any employee who works overtime ( over 40 hours) or works more than their scheduled work hours must have it approved by their supervisor prior to working the xtra hours. All employees are accountable for their own hours and should be well aware of how many hours they have worked in a given week. If you have not received authorization to switch hours, or work xtra hours that cause overtime this may be cause for disciplinary action. Frequent or early arrivals and or late departures that force Sullivan's Foods to pay overtime may also be cause for disciplinary action.

Overtime during a holiday week shall be paid as follows: For an employee who normally works 35 hours or more per week will receive time and a half ( 1 ½ ) after 40 hours actually worked, excluding hours worked on the holiday itself. A Paid holiday ( **not worked**) shall **not** be included for overtime pay.

## **WAGE, SALARY AND BENEFITS ADMINISTRATION MAINTENANCE**

Sullivan's Foods policy is to continually and regularly review it's pay practices and to compare internal and external pay relationships for all it's jobs and pay. Furthermore, pay ranges are reviewed annually as well as compared to pay practices and ranges of other comparable locations within a reasonable radius from our own stores. We believe in maintaining a competitive compensation level for area jobs similar and / or of a comparable nature.

In addition, the term "compensation" includes benefits as well as pay. For this reason, annual reviews of our benefits package are conducted to ensure competitiveness within our geographical area.

## **HIRING PAY FOR NEW EMPLOYEES**

Sullivan's Foods hires new employees on the basis of qualifications within approved job classifications and pay ranges. Normally employees are hired at a starting ( or hired) level of the appropriate pay range. Factors that may influence the starting pay of a new employee above the normal hiring rate are educational requirements an preparation or the job, previous job related experience, past employment record, job market requirements, and pay of other employees in comparable positions who have years of seniority at Sullivan's Foods.

## **EMPLOYEE PERFORMANCE REVIEWS AND WAGE INCREASES**

The Store Manager will perform employee evaluations yearly, the month following your anniversary date. The employee's immediate supervisor will give input on the employee's work performance. The evaluation will be in written form, followed by a performance appraisal interview with the employee. The interview will be done on a one on one with the employee and the Store Manager. The appraisal interview allows the Manager to take the time to inform the employee of his/her progress and areas that need improvement. It also allows for the Manager to let the employee know of a job well done. The performance interview is also a time for the employee to discuss with the Manager regarding any problems that they may have. It is a time for the Manager and the employee to collaborate and set goals.

Following the appraisal interview the employee is asked to sign the evaluation form. The employee signature indicates only that the employee has received the evaluation. The employee's signature indicates only that the employee has received the evaluation. Following the appraisal interview the employee has the option to make any comments he/ she would like to on the evaluation form. The evaluation form will then be kept in the employee file.

Informal appraisals are done continually and can be done at any time if an employee requests.

In conjunction with the evaluation system Sullivan's Foods also has a merit raise system. Pay increases are given according to the employee's performance. If a pay increase is to be given, the employee will be informed at the time of the evaluation.

Because the evaluations and wage increases are done on a personal basis we discourage discussions among employees on such confidential issues.

## **EXPENSE REIMBURSEMENT**

Sullivan's Foods will reimburse an employee for reasonable **pre-approved** business expenses. Business expenses must be pre-approved by Sullivan's Foods Human Resource Director. Reasonable expenses while traveling on company business include, travel fares, taxi accommodations, meals, gratuity and mileage.

Mileage will be paid at ( state rate) per mile from the store / work place or your home, ( whatever is less), to and from the place that your are traveling to. Anytime that a store vehicle is available the employee must utilize that vehicle. In the event that a store or company vehicle is available and the employee chooses not to use company car then no mileage will be paid. To keep expenses at a minimum the company will car pool. An employee who chooses not to car pool when available waives the right for expense reimbursement.

Meals/gratuity included will be paid at the following rate - \$7.00 for breakfast, \$7.00 for lunch and \$12.00 for Dinner. All receipts must be kept and turned into Sullivan's Foods Corporate Office for reimbursement. Sullivan's Foods does not include alcohol as an expense. Any alcohol found on a receipt will be deducted from the amount owed to the employee.

## BREAST FEEDING

Sullivan's Foods promotes and supports breastfeeding and expressing breast milk on its premises. Sullivan's Foods will support female employees continuation of breastfeeding upon their return to work up to one year following the birth of a child. Management and employees shall work together to find a mutually agreeable hours of works and breaks which support the continuation of breastfeeding. This shall be done within the policies of Sullivan's Foods.

### Procedures:

Please inform your Manager of your intent to continue to express milk upon your return to work. The employee should notify Human Resources of any perceived harassment by any associates with respect to breastfeeding.

Employees can express breast milk at break time and lunch time. Flexibility regarding timing of these scheduled breaks or additional time required will be discussed with the manager. The United States Breast feeding Committee states that it should be expected that nursing mothers typically will need to express milk two to three times during an eight hours shift . They also state the act of expressing breast milk alone takes approx 15 to 20 minutes and this should be used as a guideline ( although there may be other factors that need to be taken into consideration such as walk time to refrigerator etc..). The employee may be responsible for make up of any additional time taken. **The employee must punch in and punch out during the time that they use to express milk along with the other functions related to the act of Breast Feeding .**

Sullivan's Foods will provide a space as mandated by law other than a restroom that is shielded from view and free from intrusion from coworkers and the public which the employee my use to express breast milk. If there is not a lock on a door there shall be a sign that is to be hung that will indicate – "Do Not Disturb". Sullivan's will have a place for the nursing mother to sit and a lay surface other that the floor on which to place the pump. The area that a nursing mother uses shall also include electricity for an electric pump.

Sullivan's Foods shall also provide a refrigerated area for the nursing mother to safely store the milk for her child. The milk container must be placed in a plastic bag and marked with the name and date on it. It would be preferred that the milk be stored in the employees own insulated bag . Sullivan's shall also provide a storage space for the breast pump itself.

## ALCOHOL SALES

Sullivan's Foods Grocery stores are located throughout Northern Illinois and although they all fall under the Illinois jurisdiction of alcohol sales, each store's selling hours vary according to their communities jurisdiction. Each store again, is unique with different gates and/or chains placed at the entrance to liquor departments at the times of NO Alcohol Sales.

Cashiers who are 18 and above are required by Sullivan's Foods to take the Bassett Class for instructions on the safety and selling of alcohol. Each community also has varied age limits as to the age a cashier must be to scan or sell alcohol. Cashiers must be a minimum of 18 years of age to scan alcohol in the state of Illinois. If the cashier is not 18, they must then have an of age person scan the alcohol and check the id on the person who is purchasing the alcohol.

The cashiers are instructed to check id's on everyone that is attempting to purchase alcohol who looks 40 or younger. The computer system has a flagged system, whereas immediately after the alcohol is scanned, the cashier must enter into the computer the buyers birth date.

Cashiers at any time may refuse a sale of alcohol for reasons of fake or fraudulent identification, expired drivers license, drunkenness. Cashiers are encouraged to call Management when denying a sale.

## **SAFETY**

Sullivan's Foods has a very strong Safety Program and we work diligently to provide a safe work environment for our employees and guests. It is our philosophy that safety starts with prevention. As part of our prevention strategy all associates are required to complete online safety training upon their hire at Sullivan's. The Store Manager will orchestrate your online training which may take up to 6 to 8 hours and will be completed on a computer at the store that is to be used solely for online training. Additional online training may be required each year in addition to an annual mandatory safety meeting.

Accident Prevention continues with good housekeeping and maintenance of our tools, equipment, floors, parking lots etc. Report immediately to your Store Manager any malfunctioning equipment or areas of concern.

Fire Safety, Severe Weather Drills, and Active Shooter Drills are done randomly throughout the year. Your participation in these drills are important and vital to the education and commitment to our Safety Program.

## **ACCIDENTS**

Any accident to a guest or an employee, no matter how trivial is to be reported to the Store Manager. The priority of any accident shall be the proper care for the individuals involved. All accidents must be documented on the accident report forms and photos taken at location when possible. All Accidents will be reviewed by the Safety Committee with follow up as needed.

## **Sullivan's Foods Reasonable Suspicion Drug and Alcohol Policy**

In compliance with Drug-Free Workplace Act of 1988 Sullivan's Food has a long standing commitment to provide a safe, quality- oriented and productive work environment consistent with the standards of the community in which the company operates. Alcohol and drug abuse poses a threat to the health and safety of Sullivan's Foods associates and to the security of the company's equipment and facilities. For these reason, Sullivan's Foods is committed to the elimination of drug and alcohol use and abuse in the workplace.

**Scope:** this policy outlines the practice and procedure designed to correct instances of identified alcohol and drug use in the workplace. This policy applies to all employees and all applicants for employment of Sullivan's Foods. The human resource ( HR) department and the management team is responsible for policy administration.

**Substance Abuse Awareness:** Illegal drug use and alcohol misuse have many serious adverse health and safety consequences. Information about those consequences and sources of help for drug or alcohol problems is available from the HR department.

**Employee Assistance:** Sullivan's foods will assist and support employees who voluntarily seek help for such problems BEFORE becoming subject to discipline or termination under Sullivan's Foods Policies. Such employee will be allowed to use any vacation time that they have accrued or placed on leaves of absence referred to treatment providers and otherwise accommodated as required by law. Such employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety sensitive or require driving or if they have violated this policy previously. Once a drug test has been scheduled, unless otherwise required by the family and medical leave act or the Americans with disabilities Act, the employee will have forfeited the opportunity to be granted a leave of absence for treatment and possible discipline, up to and including discharge will be enforced

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use of possession of prescribed medications. Employees must, however, consult with their doctors about the medications effect on their fitness for duty and ability to work safety, and they must promptly disclosed any work restrictions to their supervisor. Employees should not, however, disclose to Sullivan's Foods underlying medical conditions unless directed to do so.

### **Work Rules:**

When ever employees are working, are operating any Sullivan's foods vehicle, are present on Sullivan's Foods premises or are conducting company related work offsite they are prohibited from:

- A. using, possessing, buying, selling, manufacturing or dispensing an illegal drug ( to include possession of drug paraphernalia).

- B. Being under the influence of alcohol or an illegal drug as defined in this policy.
- C. Possessing or consuming alcohol.

The presence of any detectable amount of any illegal drug or illegal controlled substance in an employee's body system, while performing company business or while in a company facility is prohibited.

Sullivan's Foods will also not allow employees to perform their duties while taking prescribed drugs that are adversely affecting their ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it if asked.

Any illegal drugs or drug paraphernalia will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

### **Required Testing**

Reasonable Suspicion:

Employees are subject to testing based on (but not limited to) observations by the supervision of apparent workplace use, possession or impairment. HR, (Kathy Christensen – 815-718-3632) or Store Manager should be consulted before sending an employee for testing. All levels of supervision making this decision must use the Observation Checklist to document specific observations and behaviors that create reasonable suspicion that the person is under the influence of illegal drugs or alcohol. If the results of the Observation Checklist indicate further action is justified, the manager or supervisor should confront the employee with the documentation or with another member of the management. Under no circumstances will the employee be allowed to drive himself or herself to the testing facility. A member of the MANAGEMENT TEAM must escort the employee, (and if uncomfortable due to a gender difference take another individual with you). The Management / Supervisor WILL MAKE ARRANGEMENT FOR THE EMPLOYEE TO BE TRANSPORTED HOME.

### **POST ACCIDENT**

Employees are subject to testing when they cause or contribute to accidents that seriously damage a Sullivan's Foods Vehicle, machinery, equipment or property or result in an injury to themselves or another employee requiring offsite medical attention in which there is a reasonable basis for concluding that DRUG OR ALCOHOL use could have contributed to the incident. A circumstance that constitutes probable belief will be presumed to arrive in any instance involving a work related accident or injury in which an employee who was operating a motorized vehicle including forklift, pickup truck, skid loader, man lifts, hand jacks, snow plow is found to be responsible for causing the accident. In any of these instances the investigation and subsequent testing must take place within two hours following the accident, if not sooner. Under no circumstances will the employee be allowed to drive himself or herself to the testing facility.



Employees who have tested positive or otherwise violated this policy are subject to discipline, up to and including discharge. Sullivan's Foods may offer an employee who violates this policy or tests positive the opportunity to return to work on a last-chance basis pending their work history and record. This could be on mutually agreeable terms, which could include follow-up drug testing at times and frequencies determined by the company for a minimum of one year but not more than two years as well as a waiver of the right to contest any termination resulting from a subsequent positive test. If the employee does not complete the rehabilitation program or tests positive after completing the rehabilitation program, the employee will be subject to immediate discharge from employment.

#### Collection and Testing Procedures

Employees subject to alcohol testing should be driven to the stores designated medical facility or the. Alcohol tests may be a breath, blood or saliva. Rapid is preferred .

Employees subject to drug testing should be driven to designated medical facility and directed to provide urine specimens. Employees may provide specimens in private unless they appear to be submitting altered, adulterated or substitute specimens. Collected specimens should be sent to a federally certified laboratory and tested for evidence of marijuana, cocaine, opiates, amphetamines, PCP, benzodiazepines, methadone, methaqualone and propoxyphane use. ( Where indicated specimens may be tested for illegal drugs). The laboratory should screen all specimens and confirm all positive screens. There must be a chain of custody from the time specimens are collected through testing and storage. The results of the drug test are to be called to Kathy Christensen at 815-718-3632 and mailed to Sullivan's Foods, PO Box 387, Savanna, IL 61074.

#### Consequences:

Employees who refuse to cooperate in required tests or who use, possess, buys, sells, manufactures or dispenses an illegal drug in violation of this policy will be terminated. If the employee refuses to be tested, yet the company believes he or she is impaired under NO Circumstances will the employee be allowed to drive himself or herself home. Employee must have a family or friend pick them up, or police department should be called if employee makes attempts to drive .

The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge. Employees will be paid their scheduled work time for time spent for alcohol or drug testing and suspended pending the results of the drug or alcohol

## EMPLOYEE DISCOUNT PROGRAM

Sullivan's Foods offers to all of our associates a beneficial Employee Benefit and Associate Discount Card. Our goal is to provide the Best Retail experience possible. In doing so, we need our Employee's and Associates strong support, not only in taking care of our Guests, but also with giving your store a chance to earn your business. Hopefully you will see what a benefit this can be, not only to you and your store in the week to week operations, but also to you, in the form of a discount refund issued each year in December, to active associates who made qualifying purchases using their Discount Card. By presenting your card when you make a purchase, you will earn points representing 5% of each qualified purchase. These points will accumulate, and 5% of your qualified purchases over the course of the year will be issued in form of a Sullivan's Foods Gift Card. Sullivan's will run a report December 1<sup>st</sup> for the preceding years totals. The refund will be issued to active associates only the first full pay period in December. As an example of what you could earn, the typical family spends \$100.00 / week, so using the Employee Discount Card for those purchases will earn you \$260.00 in one year's time! It is very important that you adhere to all of the rules posted for your Employee Discount Card. Please read the following very carefully!

1. Per policy you are not permitted to ring up your own purchases.
2. You must present your Employee Discount card to be credited.
3. Cashier will scan your card.
4. The discount card must be presented at the time of the purchase. If you missed using your card at the time of purchases you are NOT eligible for the discount on that purchase.
5. This is for you "YOUR HOUSEHOLD'S PURCHASES ONLY" . ( Example – if you do not live with your Mother or Aunt , their purchases do NOT qualify).
6. Employee must be PRESENT at time of purchase. No lending of your card.
7. You are NOT ALLOWED to make purchases for anyone other than yourself or members of you immediate family household.
8. Discount Points will not be earned on Gas Purchases, Service Desk Items including tobacco and conveniences or ACE Rentals.
9. The company reserves the right to restrict use on other specific items or with other discounts such as TRUCK LOAD MEAT SALE.
10. Only one card will be issued to any associate, but if lost report this to management and a second card will be issued. Your card purchases will be combined from your first card. However, purchases made without your card are not eligible for the Discount.
11. If you find a card please turn it in.
12. Inappropriate use ( such as lending of your card) is subject to discipline which may include termination and elimination of your ability to participate in the employee program.
13. Your Discount card must be returned upon separation and all accumulated points are forfeited.
14. The Associate Discount is not eligible for the Online Shopping – Groceries TO GO.
15. Sullivan's Foods reserves the right to alter / evaluate and terminate the program at any time.

## HOLIDAY PAY

The following days shall be recognized as Holidays for all Full-time and Part-time employees who have worked 6 months or more and are on the active payroll.

### **Holiday Pay – Full Time Employees**

New years Day ( January 1)

Memorial Day ( Fourth Monday in May)

Independence Day ( July 4)

Labor Day ( First Monday in September)

Thanksgiving Day ( Fourth Thursday in November)

Christmas Day ( December 25)

**Full time Employees:** Hourly Full time Employees who work on the above named holidays will receive time and one half ( 1 ½) their regular rate of pay for the hours that are worked on the Holiday, in addition to the “8 hours of Holiday pay” for the actual Holiday itself. Holiday pay is a paid bonus and shall not be considered as additional hours worked in the regular work week for overtime computation. Due to the nature of our business, Full time associates are expected to work the Holiday. Any exceptions must be approved by the Store Manager. The hourly employee should receive another day off during the week as their Holiday. Salaried Full time Employees may use the Holiday as an additional scheduled day off during the week that the Holiday falls. In order for all Full-time employee to be eligible for Holiday pay they must work the day before and the day after the Holiday.

**Part time Employees :** Hourly Part time employees who are required to work the holiday, shall be paid 1 ½ times their regular rate of pay for all hours worked on the noted holidays once they have met the 6 month eligibility period.

### **SHIFT MANAGER PAY**

Shift Manager Pay is payed at 75 cents per hour to those employees who have been given "Shift Manager" responsibilities, as designated per Store Manager. The "Shift Manager" will only collect the premium pay for hours worked when the Store Manager or Assistant Manager are not present.

## VACATION

Paid vacations are an earned benefit at Sullivan's Foods for those individuals who have been classified as a full time associate. All vacations must be taken. It is not possible to work and receive vacation pay on the same week. Vacation dates shall be approved by the Management team with preference being given in accordance to the employees length of service with the company. Unless special arrangements are made vacations cannot be taken back to back ( from one year to another year) . There must be at least one month between the last day for one year and the first day of vacation for the following year. As previously stated Holidays are a time when our business is at it's peak, and we find it necessary to prohibit vacations from being scheduled the week prior to a holiday unless approved by Sullivan's Administration.

An employee with more than six ( 6) months of service but less than (1) year of service shall be allowed to take one week unpaid vacation during his/her first year of employment provided that a replacement is available.

All Full Time employees are entitled to a paid vacation on the following basis:

- An employee hired prior to July First ( 1<sup>st</sup>) in any calendar year shall be entitled to ½ week vacation as of January First ( 1<sup>st</sup>) of the following calendar year ( second calendar year of employment).
- As of January First ( 1<sup>st</sup>) of the Third ( 3<sup>rd</sup>) calendar year of employment, ( one (1) week of vacation.
- As of January First ( 1<sup>st</sup>) of the Fourth (4<sup>th</sup>) calendar year of employment, two ( 2) weeks of vacation.
- As of January First (1<sup>st</sup>) of the Fifteenth (15<sup>th</sup>) calendar year of employment three(3) weeks of vacation.

An employee hired on or after July First (1<sup>st</sup>) of any calendar year shall be entitled to one week of vacation as of January First (1<sup>st</sup>) of the third (3<sup>rd</sup>) calendar year of employment followed by the schedule as attached.

Vacation pay shall be computed based on the total number of hours worked for the 12 month period preceding January First ( 1<sup>st</sup>) divided by fifty-two ( 52 ), with maximum vacation hours for one week time period set at 40.

## Vacation Policy Continued

An employee who is discharged or quits, except for discharge for dishonesty, drunkenness, possession or sale of controlled substance after having worked ( 6 months) since January First (1<sup>st</sup>) of the calendar year shall receive a prorated vacation for each full month of service completed since January First ( 1<sup>st</sup>) of the calendar year.

No payments will be made for periods of bereavement occurring during vacations.

Those employees with three weeks of vacation must take one week of vacation during the First Quarter.

An employee who has worked for Sullivan's Foods as a part time employee and is then made full time shall use the full- time Hire date for vacation purposes.

There is no vacation pay for those classified as part-time associates.

## EXAMPLE OF VACATION POLICY

	<b>Hired between Jan 1st and Jun 30th 2022</b>	<b>Hired between July 1st and Dec 30th 2022</b>
1st Calendar Year- 2022	After 6 months of service may take 1 week unpaid vacation	Does not receive vacation
As of Jan 1st 2023 2nd Calendar year	1/2 week paid vacation	May take 1 week unpaid vacation
As of Jan 1st 2024 3rd Calendar year	1 week paid vacation	1 week paid vacation
As of Jan 1st 2025 4th Calendar Year	2 week paid vacation	2 week paid vacation
As of Jan 1st 2026 5th Calendar Year	2 weeks paid vacation	2 week paid vacation
As of Jan 1st 2027 6th Calendar year	2 weeks paid vacation	2 week paid vacation
As of Jan 1st 2028 7th Calendar year	2 weeks paid vacation	2 week paid vacation
As of Jan 1st 2036 15th Calendar year	3 weeks vacation	3 weeks vacation

## **FUNERAL LEAVE**

For the purpose of administering this benefit, immediate family is defined as a spouse, parent, child, sister, or brother and extended family is defined as a mother-in-law, father-in-law, step parent, step brother, step sister, grandparent, or any relative residing with the employee.

In the case of a death in the family, reasonable time off will be provided. The company will pay all regular full time employees ( who have worked one continuous year) working 35 hours or more per week for the necessary absence on the account of death in the family. Sullivan's may grant up to three (3) days for the death of an **immediate** family member and one ( 1) day for an **extended** family member. The company will pay for **normally scheduled working days** lost because of time spent making arrangements for and or traveling to the funeral. Normally and for administrative purposes the period is considered to be from the date of the death thru the date of the funeral. In any event, except where there is an acceptable and demonstrated need for time off without pay, funeral leave shall end the day of the funeral and employee shall report to work their next scheduled work day. Additional time off shall be upon request.

## **JURY DUTY**

Pay for Jury Duty is capped at three ( 3) days per year. ( Full-time employees only). Employees are able to keep all pay for jury duty and mileage. Employees must provide proof of Jury Duty time. If an employee is not selected for Jury Duty they must report back to work.



### SICK DAYS

Full-time employee: A full-time employee ( one who works 35 or more hours per week) who was hired prior to July 1<sup>st</sup> shall receive one sick day following 120 days of employment.

### J.B. SULLIVAN RETIREMENT PLAN

The J.B. Sullivan Retirement Plan was started in 1982 as a way to reward eligible employees for long and loyal service providing them with retirement benefits. In 1996 the plan was amended so that the employee can elect to defer salary from every pay check to increase their retirement savings. All Sullivan's Foods Associates are able to participate in the J. B. Sullivan 401k Plan once they meet the eligibility requirements. As a participant you may elect to contribute money from your regular pay into your personal 401(k) account. The monies you contribute are invested on a pre-tax basis for retirement. Your savings and the earnings that accrue on those investments grow on a tax deferred basis until you withdraw them at retirement. The amount you contribute to the account may be changed at any time during the year and may be invested in any combination of the several investment funds offered by The Plan. J. B. Sullivan may make a a discretionary matching contribution equal to a uniform percentage of your salary deferrals. Each year, your Employer will determine the amount of discretionary percentage.

You will be eligible to participate in the plan if you have completed one year of service, worked over 1000 hours during the year, and have attained the age of 21. Excluded from participation are "leased" employees and those governed by bargaining units.

The vesting schedule for an eligible employee is as follows:

Years of Service	Percentage
2	20%
3	40%
4	60%
5	80%
6	100%

As a participant in the plan you are always 100% vested in the monies that you contribute to The Plan.

## **EMPLOYEE GROUP HEALTH, DENTAL AND LIFE INSURANCE**

If you are hired as a "Designated" Full time Employee ( one who works 35 hours or more per week) or have received a promotion to a Full time position you are eligible for the Health, Dental and Life Insurance Plans offered by Sullivan's Foods.

If you are a part time employee who has averaged 30 hours or more in the "Look Back" period you will be eligible for Health, Dental and Life Insurance. You will be notified of your eligibility typically in January with the open enrollment period.

A Health Insurance Eligible Employee must select the Health Benefit Package within the first 60 days of hire or eligibility. The employee at that time must either select the insurance or waive the insurance. If the employee waives the insurance they will not be eligible to elect insurance again till either the "open enrollment period" or there is a qualifying event.

Sullivan's Foods reviews their benefit package yearly to keep costs to a minimum for both the employee and the company.

When an employee terminates employment with the company for any reason other than discharged for gross misconduct, the employee may continue to participate in the Health and Dental insurance thru Consolidated Omnibus Budget Reconciliation Act (COBRA). You and your dependants are eligible for COBRA for up to eighteen ( 18) months following termination, providing the employee assumes the total cost of the coverage at the company's group rate, plus administrative fees. Details of COBRA coverage and how to apply for it will be provided by your Human Resources Director at the time eligibility is lost.

Sullivan Foods employees also have the option for group life insurance coverage.

## **Rules of Conduct and Progressive Disciplinary Procedure**

There are reasonable rules of conduct which must be followed in any organization to help a group of people work together effectively. The company expects each employee to present him or herself in a professional appearance and manner. If an employee is not considerate of others and does not observe reasonable work rules, disciplinary action will be taken.

Depending on the severity or frequency of the disciplinary problems, a verbal or written reprimand, suspension without pay, disciplinary probation, or discharge may be necessary. It is within the company's sole discretion to select the appropriate disciplinary action to be taken. Notwithstanding the availability of the various disciplinary options, the company reserves the right to discharge an employee at its discretion, with or without notice.

The following is not a complete list of offenses for which an employee may be subject to discipline, but it is illustrative of those offenses that may result in immediate discipline, up to and including dismissal, for a single offense:

1. Excessive absenteeism or tardiness
2. Dishonesty, including falsification of Company-related documents, or Misrepresentation of any fact.
3. Fighting, disorderly conduct, horseplay or any other behavior which is dangerous or Disruptive.
4. Possession of, consumption of, or being under the influence of alcoholic beverages while on company or customer premises or on Company business.
5. Illegal manufacture, distribution, dispensation, sale, possession, or use of illegal drugs or unprescribed controlled substances.
6. Reporting for work with illegal drugs or unprescribed controlled substances in your body.
7. Possession of weapons, firearms, ammunition, explosives or fireworks on Company premises.
8. Failure to promptly report a workplace injury or accident involving any of the Company's employees, clients, equipment or property.
9. Willful neglect of safety practices, rules and policies.
10. Commission of a crime that may damage the reputation of the Company.
11. Use of profane language while on Company business.
12. Stealing, misappropriating or intentionally damaging property belonging to the Company or its customers or employees.
13. Unauthorized use of the Company's or its clients name, logo, funds, equipment, vehicles or property.
14. Insubordination, including failure to comply with any work assignments or instructions given by any Company supervisor with the authority to do so.

15. Violation of the Company's Equal Employment Opportunity Policy or its Harassment Policy.
16. Interference with the work performance of other employees.
17. Failure to cooperate with an internal investigation, including but not limited to, investigations of violations of these work rules.
18. Failure to maintain the confidentiality of trade secrets or other confidential information belonging to the Company or its customers.
19. Failure to comply with the personnel policies and rules of the Company.

## Employee Handbook Acknowledgement of Receipt

Employee Name: \_\_\_\_\_

Employee Identification Number: \_\_\_\_\_

Store Location/Department: \_\_\_\_\_

I have received a copy of Sullivan's Foods Employee Handbook. I understand that I must read and familiarize myself with the contents of this handbook and that it provides information for the guidance and reference of all employees.

I also understand that the terms of this Handbook do not offer or guarantee continued employment and that my employment is at-will: That is, either the company or I may terminate the employment relationship at any time for any reason not otherwise prohibited by law.

I understand that this Handbook is not intended to create and should not be construed as creating, a contract between Sullivan's Foods and myself. No contractual relationship will arise unless an express written contract is signed by a Sullivan's executive.

I understand that the contents of this Handbook may be changed at the company's discretion at any time for any reason. I also understand that this Handbook is confidential company information and that copying it in any manner is prohibited. In addition, I understand that this Handbook is company property and must be surrendered upon termination of employment.

### Handbook Disclaimer

This handbook is provided to each employee as a guide to the company's policies and procedures. It is not intended to create, and should not be construed as creating, a contract between the company and any one or all of its employees. All employees are employed on an at-will basis. At-will employment means that either the company or the employee can terminate the employment relationship at any time, with or without prior notice, for any reason not otherwise prohibited by law. Any representation to the contrary is not binding on the company unless it is in writing and is signed by an authorized representative of the company.

Please read this handbook carefully. It describes many of your responsibilities as an employee and outlines the programs developed by the company for your benefit. We believe that you will find an abundance of resources in this handbook that will help you achieve your employment goals.

It is important to realize that our employee handbook cannot possibly anticipate every circumstance or question that may arise, and it should not be considered as the only or final source of information. It does replace all previous handbooks and related publications. As questions arise, we ask that you consult with your manager or contact Human Resources for further information about a policy, guideline, or any other information regarding your employment that may or may not be contained in this handbook. As we grow and as our business environment continues to change, there may be a need to change the policies, guidelines and benefits described in this handbook. As such, we reserve the right to revise, amend, modify, add to, rescind or terminate these policies, guidelines and benefits at any time and in any manner that we deem appropriate to serve the needs and interests of the company and its employees.

If you have any questions about any of the information contained in this handbook, please contact Human Resources at (815) 273-4511

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Date