

Vail

Aspen

Denver

# Gallegos



Building Solutions  
for Distinctive Projects



## Employee Handbook



Stone . Masonry . Concrete . Stucco . Plaster . Marble . Granite . Stone Sales



# Gallegos



Building Solutions  
for Distinctive Projects

Excellence. Distinction. Community

## Our Values:

- Caring about our people and their families
- Community Involvement
- Extraordinary Work Ethic
- Passion for the Work

## Mission Statement

Lead our industry by creating value for our customers, employees, and communities through safe, quality construction of the highest professional standard.

## Our Strategic Goals:

- Position The Gallegos Corporation as our client's first choice for their projects
- Have the most professional, skilled and reliable workforce in each of our locations
- Provide exceptional customer service
- Master operational effectiveness



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# Welcome to The Gallegos Corporation!

You have just joined a team of master craftsmen, who take pride not only in their work, but in belonging to one of Colorado's top employers. Since its founding in 1970 as a specialty masonry contractor, Gallegos has been committed to being the leader in quality residential and commercial construction services. We are uniquely qualified to create custom works of art in stone, masonry, stucco, plaster, concrete, marble, granite and art rock.

Since our inception, Gallegos has been a family-owned and operated business, exemplifying dedication, perseverance, leadership and expertise in commercial and residential construction services. With the best-assembled group of professionals in our field, we credit our longevity to a team effort, which is apparent throughout each phase of every project we work on. Many of our projects have been awarded local and national awards for their workmanship. These awards recognize Gallegos as a leader in our industry.

Our offices are located in Aspen and Denver; with our Corporate Headquarters in Vail, Colorado. We have specialized crews that travel throughout the United States working remote locations, high-end residences and resorts.

Gallegos strives to be more than an employer by creating an environment where our employees can thrive, learning new skills to become master craftsmen. We encourage training so you can reach your potential, and many employees over the years have achieved training certificates in their field. We have a large number of employees who have been with us for one, two and even three decades.

Gerald Gallegos, founder, was born in Southern Colorado and attended Eagle County public schools, graduating from Battle Mountain High School, and then continuing his education at Mesa State College in Grand Junction. Gerald was especially keen on helping youth get ahead and providing educational opportunities. He was involved in many organizations including El Pomar Foundation, Vail Valley Foundation, The Youth Foundation, Minturn Community Fund and Roundup River Ranch.

Gallegos is committed to enhancing the communities where its employees work, whether Denver, Aspen, in Vail, or across the United States. The Gallegos Corporation's pledge to support community organizations started with Gerald and is encouraged for and by each and every employee. Every year, The Gallegos Corporation gives more than \$100,000 to local charities.

Beyond giving money, Gallegos encourages its employees to participate in events they are interested in, whether coaching Little League, ski racing, attending a spelling bee or reading to students. We really try to give our employees the latitude to make donations to organizations that benefit their families, their communities. Even in tough economic times, we try to stay true to Gerald's mission of making a difference.

We are excited to have you as a part of our team!

Gary Woodworth, CEO

## IMPORTANT NOTICE

This handbook is designed to acquaint employees with The Gallegos Corporation and some information about working here. The handbook is not all inclusive, but is intended to provide employees with a summary of some of the company guidelines. This edition replaces all previously issued additions.

### **EMPLOYMENT WITH THE GALLEGOS CORPORATION IS AT-WILL.**

Employees have the right to end their work relationship with Gallegos, with or without advance notice for any reason. Gallegos has the same right. The language used in this handbook and any verbal statements made by management are not intended to constitute a contract of employment, either express or implied, nor are they a guarantee of employment for a specific duration. No representative of The Gallegos Corporation, other than the President of the Company, has the authority to enter into an agreement of employment for any specified period and such agreement must be in writing, signed by the President and the employee.

No employee handbook can anticipate every circumstance or question. After reading the handbook, employees that have questions should talk with their immediate supervisor or the Human Resources department. In addition, the need may arise to change the guidelines described in the handbook. Except for the at-will nature of the employment, Gallegos therefore reserves the right to interpret them or to change them without prior notice.



## **EQUAL EMPLOYMENT OPPORTUNITY / AFFIRMATIVE ACTION**

The Gallegos Corporation is committed to creating a quality work environment, which makes full and effective use of the talents and contributions of all employees without regard to age, color, gender, pregnancy, national origin, race, religion, sexual orientation, disability, status as a disable veteran or any other status protected by federal, state or local laws.

It is therefore the ongoing policy and practice of Gallegos to provide equal opportunity in employment to all employees and job applicants. This policy shall apply to all terms, conditions, and privileges of employment, including hiring, training, promotion, transfer, compensation, benefits and termination.

In addition, The Gallegos Corporation is committed to the principals of affirmative action. In accordance with Executive Order 11246 and the regulations issued by the Secretary of Labor in 41 C.F.R. Chapter 60, Affirmative Action Programs have been developed.

The Human Resources Director has been assigned the responsibility of overseeing compliance with state and federal equal opportunity laws and affirmative action regulations. Managers and supervisors at every level of Gallegos are accountable for the implementation of this policy and for the maintenance of a discrimination-free work environment.

Employees are encouraged to seek assistance from their immediate supervisor or HR Director if they believe that they have not been treated in accordance with this policy. Retaliation or reprisal against person who initiate complaints or assist in the investigation of a complaint will not be tolerated.

## **NO HARASSMENT POLICY**

The Gallegos Corporation strives to maintain a work environment free of unlawful harassment. In doing so, The Gallegos Corporation prohibits unlawful harassment because of age, color, gender, pregnancy, national origin, race, religion, sexual orientation, and disability, status as a disable veteran or any other status protected by federal, state or local laws.

Unlawful harassment includes verbal or physical conduct that has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. Actions based on an individual's age, color, gender, pregnancy, national origin, race, religion, sexual orientation, disability, status as a disable veteran or any other status protected by federal, state or local laws will not be tolerated. Prohibited behavior may include but is not limited to the following:

- Written form such as cartoons, email, posters, drawings or photographs
- Verbal conduct such as epithets, derogatory comments, slurs, or jokes
- Physical conduct such as assault, or blocking an individual's movements

This guideline applies to all employees including managers, supervisors, co-workers, and non-employees such as customers, clients, vendors, consultants, and anyone having businesses with Gallegos.

### **Sexual Harassment**

Because sexual harassment raises issues that are to some extent unique in comparison to other harassment, Gallegos believes it warrants separate emphasis.

Gallegos policy prohibits sexual harassment and inappropriate sexual conduct. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment
- Submission to or rejection of such conduct is used as the basis for decisions affecting an

individual's employment

- Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment

All employees are expected to conduct themselves in a professional and businesslike manner at all times. Conduct which may violate this policy includes, but is not limited to, sexually implicit or explicit communications whether in:

- Written form, such as cartoons, posters, calendars, notes, letters, or email
- Verbal form, such as comments, jokes, foul or obscene language of a sexual nature, gossiping, or questions about another's sex life, or repeated unwanted requests for dates
- Physical gestures and other nonverbal behavior, such as unwelcome touching, grabbing, fondling, kissing, massaging, and brushing up against another's body

## **Bringing Concerns to our Attention**

If you have a concern or believe there has been a violation of the EEO/AA policy or harassment, including sexual harassment, please use the following process. Gallegos expects employees to bring concerns to our attention in a timely manner to enable the Company to investigate and correct any behavior that may be in violation of this policy.

Report the incident to the Director of Human Resources or the CEO of The Gallegos Corporation who will investigate the matter and take appropriate action. Your concerns will be kept as confidential as practicable. If you are uncomfortable reporting your concerns to either of these people, please contact any member of the senior leadership team.

Gallegos prohibits retaliation against an employee for filing a complaint under this policy or for assisting in a complaint investigation. If you perceive retaliation for making a complaint or your participation in the investigation, please follow the complaint procedure outlined above. The situation will be promptly investigated.

If Gallegos determines that an employee's behavior is in violation of this policy, disciplinary action will be taken, up to and including termination of employment.

## **Dating and Relationship Harassment Free Guideline**

The Gallegos Corporation desires to avoid misunderstandings, favoritism or the appearance of favoritism, possible claims of sexual harassment and the employee morale problems that can potentially result from personal or social relationships between employees in the company. Relatives and individuals involved in close personal relationships with current employees may be hired, however, Gallegos reserves the right to prohibit these individuals from working together, supervising one another, or working in situations where one individual audits, verifies or is entrusted with money from the other. To that end, every employee, including but not limited to, supervisors and executives must disclose the existence of any relationship with another coworker that has progressed beyond a platonic friendship. Disclosure may be made to your immediate supervisor or the Director of Human Resources. The disclosure will enable the organization to determine whether any conflict of interest exists because of the relative positions of the individuals involved.

## **EMPLOYMENT STATUS**

### **Regular Employee**

An employee who has completed any introductory period, and is not hired for a temporary period or for a specific assignment.

## Full-Time Employee

An employee normally scheduled to work at least 32 hours per week. Full-time employees are currently eligible for Gallegos benefits as set forth in this handbook.

## Part-Time Employee

An employee normally scheduled to work less than 32 hours per week. Part-time employees are currently not eligible for Gallegos benefits.

## Temporary Employee

An employee who is hired into a job established for a temporary period or for a specific assignment. Temporary employees generally are ineligible for Gallegos benefits.

## Exempt/Salaried

An employee whose position meets specific tests established by the Fair Labor Standards Act (FLSA) and State law and who are thereby exempt from overtime pay requirements.

## Non-Exempt/Hourly

An employee that is eligible for paid overtime at one and one-half times their regular rate of pay for all hours worked in excess of 40 hours per week.

## Field Employees

Employees who spend the majority of their work at job sites conducting work that requires physical labor.

## Administrative Employees

Employees who predominantly perform work in the corporate or satellite offices and the majority of their tasks are administrative in nature.

## HIRING

### Employment Documentation

All employees must satisfy Federal requirements regarding employment eligibility. A social security card is only one of several documents that may be presented by a candidate for I-9 documentation purposes. The Gallegos Corporation does **not require a social security card for I-9 documentation purposes**. However, the company does require all employees to present a current copy of their social security card for payroll processing purposes. Gallegos will be happy to assist those without current social security cards to obtain this document.

### Background Checks

The Gallegos Corporation reserves the right to conduct background checks, including motor

vehicle report checks, criminal records databases and workers compensation claims checks.

## **New Hire Orientation**

We know how hard it is to take in all the information about The Gallegos Corporation, your job, and our internal procedures during the first few days of work. With that in mind, we schedule every newly hired employee to attend a two-hour new hire orientation the month after their hire date. This meeting is a time to review information about Gallegos, the division you work for, pay days, overtime, time cards, benefits, safety and to answer any questions you may have. We look forward to seeing each of you there.

If at any time you have a question about any Gallegos policy or procedure, or anything in this Handbook, please feel free to contact your supervisor or Human Resources.

## **WORKING CONDITIONS**

### **Work Week**

Field employees are required to work the hours assigned by the Project Manager for the project. This may include required overtime. Overtime work for hourly employees must be authorized in advance by the Project Manager or Site Superintendent. Exempt/salaried employees are required to work the hours necessary to accomplish their assignments.

### **Work Break/Lunch Break**

Each hourly employee may take a work break of 10 minutes for each four-hour work period. The scheduling, if necessary, of work breaks will depend upon the day-to-day work conditions.

Field employees receive 30 minutes for lunch each day where time is not paid. Office staff generally receives 60 minutes for lunch, unpaid, unless prior arrangements are made with your supervisor.

### **Attendance/Punctuality**

Employees are expected to be in attendance, on time, at their designated work area. The locations of many of The Gallegos Corporation job sites require employees to travel some distance. The same expectations are applicable for those work locations. If an employee becomes ill or other factors intercede that prevent the employee from working his or her designated hours, it is the employee's responsibility to notify their supervisor or The Gallegos Corporation office before the beginning of the employee's work shift.

Any unauthorized absence of an employee from work may result in disciplinary action, which may include termination. If an employee does not call in or report to work for three work days without prior approval, the absence may be viewed as job abandonment and the employee's employment may be terminated.

### **Lactation/Breastfeeding Breaks**

As part of our family-friendly policies and benefits, The Gallegos Corporation supports breastfeeding mothers by accommodating the mother who wishes to express breast milk during her workday when separated from her newborn child.

For up to twelve months an employee who is breastfeeding her own child or an adopted child will be provided up to two break periods of 20 minutes each plus an additional 20 minutes during her lunch period to express breast milk for her newborn. The employee and her immediate supervisor will agree on the times

for these breaks. The Gallegos Corporation has designated the HR Director's office as the lactation room. The Lactation Room is furnished with several comfortable chairs next to small tables. It also has a refrigerator reserved for the specific storage of breast milk.

**Human Resources may require medical certification to support the stated intent of this policy.**

## **COMPENSATION**

### **Pay Day**

The Gallegos Corporation will distribute paychecks on the 7<sup>th</sup> and the 22<sup>nd</sup> of each month. An employee may not receive a paycheck in advance unless authorized by the CEO or his designate.

### **Payroll Deductions**

The following mandatory deductions (if applicable) will be made from an employee's paycheck:

- F.I.C.A. (Social Security)
- Medicare
- Federal Income Tax
- State Income Tax
- Legal Garnishment of Wages

Voluntary deduction/arrangements, including but not limited to the following, may be made from an employee's paycheck as authorized and permitted by law:

- Medical Insurance for Employee and/or Family Member(s)
- Tool Deductions
- Housing Deductions
- Flex Spending Account Plan
- 401(k)

### **Overtime/ Non-Exempt Employees**

Any non-exempt employee who works overtime (in excess of 40 hours in a seven-day, Monday through Sunday work cycle or over 12 hours in one day) shall be paid overtime pay at the rate of one and one half (1 and ½) times his/her hourly rate of pay. Each workweek must be considered separately when computing overtime worked. Payments of overtime relate only to non-exempt employees.

### **Job Closure**

In the event that the jobs are closed due to inclement weather, power failures, etc., non-salaried employees scheduled to work will not be compensated for the hours missed due to the closure. Division Presidents, Project Managers or Site Superintendent will decide on job closure.

### **Business Reimbursement or Benefits**

Eligible employees are responsible for and are issued a Gallegos credit, gasoline card and/or a Gallegos ve-

hicle. Those employees should see their supervisors for details on the proper and authorized use of these items.

## **Mileage Reimbursement**

Eligible employee's approved auto mileage is reimbursed at a rate set by The Gallegos Corporation in compliance with the IRS Guidelines. Eligible employee's approved expenses for parking, occasional meals, etc., are reimbursed with receipts and completion of voucher forms.

## **Work Out of Town**

Travel time to out-of-town work is not normally compensated unless it occurs during the employee's normal work hours, but may be compensated upon approval by your supervisor. Those who are given the responsibility to drive other employees to work sites out of town in a Gallegos vehicle will be paid for the time they drive. Drivers may either be paid their normal hourly rate for the time they drive, or an agreed upon set rate for each day of driving.

A per diem is a set amount of money, which may be paid to an employee to cover ordinary and necessary business expenses incurred, or reasonably expected to be incurred, by an employee for lodging, meals and incidentals while traveling away from home overnight. Per diems do not cover travel time. Per diems are not used if the employee will be returning to his or her home the same day.

An employee is not to put lodging, meals or incidentals on their Gallegos credit card if they are receiving a per diem for the same.

## **BENEFITS**

### **Health/Dental Insurance**

#### **Eligibility**

Hourly/Non-Exempt employees who have been employed by The Gallegos Corporation full-time (averages 32 hours of work or more per week) for a period of 6 months are currently eligible to enroll in the Gallegos group insurance programs. Salaried/Exempt and Administrative employees are eligible after 30 days of full-time employment.

New employees have 30 days from their eligibility date to enroll in the plan. Coverage elections can only be added or changed if you have had the following status changes:

- Marriage, divorce or legal separation
- Birth or adoption of a child
- A change in your spouse's employment

Otherwise, you may elect coverage or make changes to your plan during the annual open enrollment.

### **Insurance Benefit Paid by The Gallegos Corporation**

Regular, full-time employees are currently eligible to have a percent of that employee's Health/Dental/Life Insurance premium paid by Gallegos. The Gallegos contribution will be based on the premium to cover the

individual employee only. The employee is free to add his/her family to the plan. However the employee will pay the full cost of the premium. All premiums are deducted on a pre-tax basis helping to lower your taxable income.

The current schedule is:	6 months	50%
	18 months	65%
	30 months	80%

## Flexible Spending Account (FSA)

Employees who are eligible for the health plan may also choose to participate in a health care spending account or dependent care spending account. The health care spending account allows you to save pre-tax dollars to help you pay for un-reimbursed health care expenses. The dependent care account allows you to save for child or elder care with pre-tax dollars, which helps to lower your taxable income.

## 401(k) Plan

As an employee of The Gallegos Corporation you will be eligible to participate in our 401(k) plan if you meet the plan's eligibility requirements. For each dollar you contribute to the plan, The Gallegos Corporation may match your investment, dependent on the economic climate and the financial health of Gallegos.

You must be 21 years old to participate and have completed one (1) year of service to contribute to the plan and earn your employer match. A service year is defined as a year in which you complete 1000 hours within the plan year. You may elect to defer up to the maximum allowed by the IRS. This plan has a vesting schedule for your employer contribution. Please refer to plan booklet for complete details. The 401(k) plan is voluntary, and may be cancelled at any time by the company.

## Unemployment Insurance

Gallegos pays the entire cost of unemployment insurance for all employees as required by law. Employees who lose their jobs may be eligible to receive unemployment benefits.

## Holidays

All Exempt/Salaried and administrative full-time employees will receive the following paid holidays.

1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Thanksgiving Day
6. Christmas Day

If any of the recognized holidays occur on a Saturday the holiday will be observed the previous Friday. Sunday holidays are observed the following Monday.

Paid holidays are not granted to temporary or part-time employees. Employees on any leave of absence are not eligible for holiday pay.

Holiday pay is not considered time worked in the computation of overtime.

## Paid Time Off

You are eligible to participate in the paid time off (PTO) program if you are a regular status, full time employee scheduled to work at least 32 hours per week. Once an eligible employee has completed three months of continuous employment they will be able to start using accrued PTO.

The amount of PTO you accrue each year is based on your length of service and accrues according to the schedule below. PTO is accrued as you work. You will not accrue PTO time while you are on an unpaid leave of absence or on long-term disability.

### Salaried and Administrative Employees will accrue PTO as follows:

Years of service	Per pay period accrual rate hours (days)	Number of PTO hours (days) per year
0-1 Year	3.33 hrs (.41 day)	80 hrs (10 days)
1-4 Years	4.66 hrs (.58 day)	112 hrs (14 days)
5-9 Years	6 hrs (.75 day)	144 hrs (18 days)
10+ Years	7 hrs (.875 day)	168 hrs (21 days)

### Field Hourly Employees will accrue PTO as follows:

Years of service	Per pay period accrual rate hours (days)	Number of PTO hours (days) per year
0-1 Year	1.6 hrs (.42 day)	40 hrs (5 days)
1-4 Years	2.66 hrs (.33 day)	64 hrs (8 days)
5-9 Years	4 hrs (.50 day)	96 hrs (12 days)
10+ Years	5 hrs (.625 day)	120 hrs (15 days)

### Maximum Time Accumulated For Paid Time Off (PTO)

Although you may carry over unused PTO time from year to year, there is a maximum or a cap amount of PTO time you can accumulate. This encourages you to use your PTO and allows the company to manage its financial obligations responsibly. The maximum amount of time you may accumulate is 168 hours; approximately twenty-one (21) days. Once you reach 21 days, you will not accumulate any more PTO until you use some of the time in your account. After your balance goes below 21 days, you begin accruing PTO again.

### Termination

You will be paid for all accrued but unused PTO when you leave Gallegos.

## Management of your PTO

You are responsible for managing your PTO. It is important that you plan ahead. This means developing a plan for taking your vacations, as well as doctor's appointments and personal business. It also means holding some time in "reserve" for the unexpected, such as emergencies and illnesses. The amount you reserve for illness should depend on your personal health and sick leave history.

## Minimum Increments of PTO and Partial Day Usage

For salaried/exempt employees, any time taken off of work may be deducted from your PTO account. The minimum amount of PTO time you can request off at one time is four hours. Gallegos may take disciplinary action, up to and including termination, if it determines an employee is abusing the PTO benefit by working less than a half day and not taking the remaining part of the day as PTO. Non-exempt employees will be paid for the hours worked and may choose to use PTO in one-hour increments for hours not worked.

## Types of Leave – Time Not Deducted

Time off taken for certain leaves of absences such as jury duty, bereavement and workers compensation, according to Gallegos policy, will not be charged against your PTO account. Please check with your supervisor regarding these circumstances.

## Notice and Scheduling

Unless you are ill or an emergency arises, you are required to notify your supervisor at least four weeks in advance of your intent to take PTO and get approval for the time off. You must use the PTO Request Form to make your request. This allows for you and your supervisor to prepare for your time off and assure our staffing needs are met.

## Part-Time Employee Benefits

Part-time employees will not be eligible for any benefits except those provided by law, such as FICA, Worker's Compensation, and Unemployment Insurance, Participation in the Gallegos 401(K) plan may be an eligible benefit if the part-time employee meets the eligibility requirements of the plan.

## LEAVES OF ABSENCES

If for some reason you must be away from work for an extended period of time, an approved leave of absence may be arranged. Discuss your need for a leave of absence with your supervisor, who in turn will consult with the Human Resources Department and complete a Leave of Absence Request.

## Domestic Abuse Leave

Employees subject to domestic abuse may be eligible for a leave of absence. Please see the Human Resources Department for more information.

## **Funeral Leave**

Exempt/Salaried employees are provided with up to three (3) paid days of leave to attend pre- or post-burial matters due to death of an immediate family member. Immediate family is defined as spouse, parent, child, brother, sister, current father-in-law, mother-in-law, sister-in-law, brother-in-law, grandparents, great-grandparents and grandchildren. The employee's immediate supervisor should approve such leaves.

## **Parental Involvement/School Visitation Leave**

Eligible employees may take unpaid leave to attend academic activities for school-aged children. To be eligible, an employee must work in a nonexecutive or nonsupervisory capacity and be the parent or legal guardian of a child enrolled in either public or private school grades K-12 or certain nonpublic home-based educational programs. Employees can take leave for the following academic activities: parent-teacher conferences and meetings about special education services, response to intervention, dropout prevention, attendance, truancy; or disciplinary issues.

### **Use of Leave**

Full-time employees may take up to a maximum of 18 hours in an academic year to attend such activities. Part-time employees may take leave on a prorated basis, which would consist of a maximum of 9 hours. Employees may not take more than six hours of leave in any one-month period and leave may not be taken in increments longer than three hours per day.

### **Unpaid Leave**

Leave to attend academic activities is unpaid. Upon management's discretion, the organization may allow employees to make up the time lost while on Parental Involvement Leave; employees must complete make-up time in the same week the PIL was taken or they may use their paid time off (PTO) to supplement their pay.

### **Notice Requirements**

Except in emergencies, employees are required to provide at least one calendar week's advance notice of the need for leave. Employees may be required to provide written verification of the academic activity from the school or school district. Employees are required to make a reasonable attempt to schedule academic activities outside regular work hours.

### **Limitations on Leave**

Gallegos may limit the ability of an employee to take Parental Involvement Leave in cases of emergency or in other situations where the employee taking leave may endanger a person's health or safety or in a situation where the absence of the employee would result in a halt of service or production.

## **Family and Medical Leave Act (FMLA)**

Pursuant to the Family and Medical Leave Act, an employee may be granted up to 12 weeks of unpaid leave. To be eligible for FMLA leave, an employee must be employed for at least 12 months and have worked at least 1,250 hours during the 12 months preceding the commencement of leave. Reasons for FMLA leave include:

### **Medical Leaves**

Employee's serious health condition or pregnancy-related disability.

## Family Leaves

- Father's attendance at birth of child.
- Parent's care of newborn, if completed within 12 months following birth of child.
- Placement of a child with employee for adoption or foster care.
- Serious health condition of employee's child under 18 years, or older child if disabled.
- Serious health condition of employee's spouse or parent.

Any qualifying exigency if the employee's spouse, son, daughter or parent is on active duty or has been notified of an impending call or order to active duty in the Armed Forces.

Gallegos grants up to 26 weeks of unpaid leave to an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member to care for that person while he or she is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.

Whenever possible, employees must notify the Human Resources Director at least thirty (30) days prior to the leave so the organization can arrange for the necessary approval and find someone to perform their work during their absence. Requests for leaves should be made in writing to the Human Resources Director, stating the reason for the leave, the starting date, and the planned date for return to work. If the leave is foreseeable based on a planned medical leave, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt Gallegos operations. Appropriate certification for any serious health conditions is also required. Gallegos may require a second medical opinion at the company's expense. Documentation confirming family relationship, adoption or foster care may be required. If notification and appropriate certification are not provided in a timely manner, approval for leave may be denied. Continued absence after denial of leave may result in disciplinary action in accordance with the Gallegos attendance guideline.

The maximum time allowed for FMLA Leave is either 12 or 26 weeks as is explained above in the 12-month period as defined by the company. Gallegos uses the 12-month period measured forward from the first day of an employee's leave. Although most leaves would be taken in a single block of time, intermittent leaves or reduced leave schedules also may be granted, where medically required, or in cases where both the company and the employee agree.

Employees taking intermittent leave or reduced schedules based on planned medical treatment may be required to temporarily transfer to another job with equivalent pay and benefits that better accommodates that type of leave.

If an employee is currently covered by the Gallegos medical insurance, these benefits continue for employees on FMLA Leave. Employees must continue to pay their portion of any insurance premium while on leave. If the employee is able but does not return to work after the expiration of the leave, the employee will be required to reimburse Gallegos for payment of insurance premiums during the FMLA Leave.

Employees on a leave of absence must use any earned PTO at the start of the leave.

FMLA Leave is without pay when Paid Time Off benefits are exhausted. As with other types of unpaid leaves, PTO will not accrue during the unpaid leave. Holidays, funeral leave, or employer's jury duty pay are not granted on unpaid leave. However, employment benefits accrued by the employee up to the day on which FMLA Leave begins are not lost.

Employees on leave must contact the Human Resource Manager at least two days before their first day of return. If the leave is for an employee's own serious health condition, the employee must bring medical certification verifying ability to return to work. Failure to return to work on the day after the expiration of leave may result in termination of employment.

Employees, who return to work from FMLA Leave, will be returned to their same job or an equivalent position subject to the requirements of FMLA. Certain highly compensated employees (key employees) may have limited reinstatement rights.

## **Military Leave**

Employees granted a military leave of absence are reinstated and paid in accordance with the laws governing veteran's re-employment rights.

## **Personal Leave**

Normally, personal leaves of absence are not granted. In management's sole discretion, an unpaid leave for non-medical reasons may be granted for not more than 30 days.

## **Voting**

Voting is an important responsibility we all assume as citizens. We encourage employees to exercise their voting rights in all municipal, state and federal elections.

Under most circumstances, it is possible for employees to vote either before or after work. If it is necessary for employees to arrive late or leave work early to vote in any election, employees should arrange with their **Supervisor/Manager** no later than the day prior to Election Day.

## **Jury Duty Leave**

Salaried/Exempt full-time employees required to serve as a juror in any Court of Law will be granted paid leave for the required time up to five (5) days; additional time is unpaid. In order to be granted such leave, the employee must submit a copy of the summons and other forms furnished by the Clerk of the Court which relate to the time of service. The employee is expected to return to their job if Court duties end prior to expiration of the regular job. The employee may retain monies received for jury duty and mileage allowances.

All other employees will receive \$50.00 per day or their regular pay, whichever is less, for the first three days they serve on a jury.

## **SAFETY AND HEALTH**

At The Gallegos Corporation people are our most important resource, and the conservation and safety thereof has management's highest priority, support, and participation.

Gallegos considers no phase of operation or administration of greater importance than accident prevention. Accidents, which result in personal injury and/or damage to property and equipment, represent needless waste and loss. To mitigate the effect of accidents on Gallegos' resources, both human and material, all operations shall be conducted in a safe manner.

Planning for safety starts with estimating and continues through purchasing, construction, repairs and maintenance. All practical steps should be taken to maintain safe conditions. To minimize existing accident and health hazards, adequate protective equipment will be provided and shall be used by all employees, visitors, and subcontractor employees, at all project locations in accordance with client, company, State, and Federal safety standards and codes.

All employees are encouraged to report unsafe conditions to their immediate supervisor, or any member of management if necessary, without fear of reprimand. Furthermore, no employee shall ever be required to work in an unsafe or questionable condition. **A complete and comprehensive Safety Program is included in the Employee Safety Handbook.**

## **Worker's Compensation**

Injuries to employees while working may be covered by the Gallegos funded Worker's Compensation insurance. All employee injuries must be immediately reported to your supervisor and the Safety Manager. Failure to do so may jeopardize your Worker's Compensation benefits.

It is important to report all injuries to your supervisor or the Safety Manager immediately (within 24 hours) even if medical attention is not sought. All employees must complete a first report of injury form. Colorado Worker's Compensation Law provides that the employer may designate the primary care doctor of first report for your injury. If you need to see a doctor for a work-related injury, Gallegos has designated certain facilities that you must use. A list of the doctors was given to you upon hire and is available from the Safety Manager. If you see a doctor for your injury, you must obtain proof in writing of the medically imposed restrictions that may or may not affect your job. Failure to attend scheduled medical appointments may result in disciplinary action up to and including termination and reduction of benefits.

### **Compensation for Lost Time**

Under Colorado Law, you must miss more than three (3) regularly scheduled working days after the date of your work-related injury before becoming eligible for lost time disability compensation. Employees may be able to use Paid Time Off (PTO) to supplement their income.

## **POLICY AGAINST WORKING WHILE IMPAIRED AND SUBSTANCE ABUSE**

To ensure a safe and productive work environment for all employees and our customers, The Gallegos Corporation prohibits its employees from being on job sites or performing work while impaired. Impairment is not limited to the abuse of drugs or alcohol. Impairment can result from the lawful use of prescribed drugs, emotional trauma and severe lack of sleep.

Alert and rational behavior is required for the safe and adequate performance of job duties.

For the benefit of employee safety, and to comply with the requirements of state and

Federal laws including the Drug-Free Workplace Act of 1988, Gallegos has adopted and enforces the following policy:

1. The unlawful manufacturing, distribution, dispensation, sale possession, or use of any controlled substance, or unauthorized use of alcohol at the workplace is prohibited.
2. Prior to an offer of employment and as part of The Gallegos Corporation pre-employment information, a prospective employee is required to provide information on any earlier criminal drug offense that is within seven (7) years of the employment start date.
3. An employee convicted of criminal drug offense after employment is required to notify his/her supervisor or Human Resources within five (5) working days following a conviction.
4. Any employee who violates the above provisions shall be subject to appropriate disciplinary actions, up to and including termination of employment. As a condition of employment, all Gallegos employees agree to abide by these policies and agree to the notification provision above.
5. To understand the hazards of drug abuse, and to seek assistance, if abuse is occurring, Gallegos will assist in providing counseling resources available in an employee's community through the Gallegos

Employee Assistance Program (EAP.)

6. Employees who feel that they might need assistance are urged to obtain help and guidance from the Director of Human Resources about the Employee Assistance Program.

## PROHIBITED CONDUCT

The prohibitions of this section apply whenever the interests of Gallegos may be adversely affected, including any time the employee is:

- On company premises;
- Conducting or performing company business, regardless of location;
- Operating or responsible for the operation, custody or care of company equipment or other property, or
- Whenever responsible for the safety of others on company business, regardless of location.

### Alcohol

The following acts are prohibited and could warrant employee dismissal:

- The unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol.
- Being under the influence of alcohol.

### Illegal Drugs

The following acts are prohibited and could warrant employee dismissal:

- The use, possession, purchase, sale, manufacture, distribution, transportation or dispersing of any illegal drug or other controlled substance.
- Being under the influence of any illegal drug or other controlled substance.

### Abuse of any Legal Drug

The following acts are prohibited and could warrant employee dismissal:

- The unlawful use, possession, purchase, sale, manufacture, distribution, transportation, or dispersing of any legal drug.
- Failure to notify Human Resources when taking a drug or course of treatment that impairs the ability for alert, rational and safe behavior.

Legally prescribed drugs are permitted on Gallegos premises or work locations if they are in the original prescription container and are prescribed by an authorized medical practitioner for the current use of the person in possession and do not present a hazard to the individual, guests or fellow workers. Any person in possession of or using a valid prescription drug used in the manner authorized when on or entering the work place locations must notify the Director of Human Resources. Such communication will be kept confidential.

## Drug and Alcohol Screening

The Gallegos Corporation, in its sole discretion, reserves the right to conduct **investigations, test individuals and/or inspect all Gallegos facilities (automobiles, desks, equipment, etc.)** to ensure compliance with our substance abuse guidelines.

In the event of a work-related injury or incident requiring medical treatment or lost time, or an incident

involving a Gallegos-owned or subsidized vehicle where there is damage or injury, the employee will be tested for drugs and/or alcohol. If he or she refuses, the employee shall be subject to discipline up to and including discharge. **A complete and comprehensive Safety Program is included in the Employee Safety Handbook.**

## **EMPLOYEE CONDUCT**

### **Code of Ethics/Conduct**

The Gallegos Corporation conducts its business in an ethical and proper manner, and in compliance with all laws and regulations.

The Gallegos Corporation is committed to conducting its business with integrity underlying all relationships, including those with citizens, customers, suppliers and communities, and among employees. The highest standards of ethical business conduct are required of Gallegos employees in performance of their responsibilities. Employees will not engage in conduct or activity that may raise questions as to The Gallegos Corporation's honesty, impartiality or reputation or otherwise cause embarrassment to Gallegos. Employees will avoid any action, whether or not specifically prohibited in the personnel policies, which might result in or reasonably be expected to create an appearance of:

- Using public office or public position for private gain.
- Giving preferential treatment to any person or entity.
- Losing impartiality.
- Adversely affecting the confidence of the public in the integrity of The Gallegos Corporation.

Every employee has the responsibility to ask questions, seek guidance, and report suspected violations and express concerns regarding compliance with this policy. The Gallegos Corporation will maintain a program to communicate to employees its commitment to integrity and uncompromising values. The program will inform employees of policies and procedures regarding ethical business conduct and assist them in resolving questions and in reporting suspected violations. Retaliation against employees who use these reporting mechanisms to raise genuine concerns will not be tolerated.

The HR department is responsible for providing policy guidance and issuing procedures to assist employees in complying with Gallegos expectations of ethical business conduct and uncompromising values. This policy constitutes the standards of ethical business conduct required of all employees. Managers are responsible for supporting their implementation and monitoring compliance.

### **Personal Conduct**

Employees of The Gallegos Corporation should be aware that it is their duty to serve clients in a courteous and efficient manner, sometimes under the most trying situations. The Gallegos Corporation expects all employees to observe the highest standards of conduct and integrity in the performance of their duties.

### **Conflict of Interest Policy**

It is Gallegos policy that employees and others acting on Gallegos behalf must be free from conflicts of interest that could adversely influence their judgment, objectivity or loyalty to the company in conducting Gallegos business activities and assignments. The company recognizes that employees may take part in legitimate financial, business, charitable and other activities outside their Gallegos jobs, but any potential conflict of interest raised by those activities must be disclosed promptly to management.

## What it means

- Request management approval of outside activities, financial interests or relationships that may pose a real or potential conflict of interest. Remember that management approval is subject to ongoing review, so you need to periodically update your management on your involvement.
- Avoid personal relationships with other Gallegos employees where parties in the relationship may receive or give unfair advantage or preferential treatment because of the relationship.
- Avoid actions or relationships that might conflict or appear to conflict with your job responsibilities or the interests of Gallegos.
- Even the appearance of a conflict of interest can damage an important company interest.
- Obtain necessary approvals before accepting any position as an officer or director of an outside business concern.
- Prior to serving on the board of directors of a bona fide charitable, educational or other nonprofit organization, you are encouraged to advise your manager.

## What to avoid

- Working with a business outside your Gallegos responsibilities that are in competition with any Gallegos business.
- Accepting a personal gift from a client or supplier and/or a trade for business, products or services
- Having a direct or indirect financial interest in or a financial relationship with a Gallegos competitor, supplier or customer (except for insignificant stock interests in publicly-held companies).
- Taking part in any Gallegos business decision involving a company that employs your spouse or family member.
- Having a second job where your other employer is a direct or indirect competitor, distributor, supplier or customer of Gallegos.
- Having a second job or consulting relationship that affects your ability to satisfactorily perform your Gallegos assignments.
- Using nonpublic Gallegos information for your personal gain or advantage or for the gain or advantage of another, including the purchase or sale of securities in a business Gallegos is interested in acquiring, selling or otherwise establishing or terminating business relations with.
- Investing in an outside business opportunity in which Gallegos has an interest, except for having an insignificant stock interest in publicly-held companies.
- Receiving personal discounts or other benefits from suppliers, service providers or customers that are not available to all Gallegos employees.
- Having romantic relationships with certain other employees where:
  - There is an immediate reporting relationship between the employees.
  - There is no direct reporting relationship between the employees but where a romantic relationship could cause others to lose confidence in the judgment or objectivity of either employee, or the relationship could cause embarrassment to the company.

Note: In some circumstances, romantic relationships between employees may raise compliance issues under the Gallegos No Harassment Policy.

## Problem Solving

Employees who disagree or are dissatisfied with a Gallegos practice should promptly discuss the matter with their immediate supervisor, where appropriate. Normally, this discussion should be held within 3-5 days of the incident, or in a timely manner. Discussions held in a timely manner will enhance our ability to resolve concerns while it's fresh in everyone's mind. The majority of misunderstandings can be resolved at this level.

If the solution offered is not satisfactory, or if it is inappropriate to go to the supervisor, then employees are encouraged to take the problem to the Director of Human Resources. If the problem still cannot be resolved, employees may submit a written complaint to the President of The Gallegos Corporation for review and final decision about the situation. Also see EEO/Harassment Complaint Procedure, (see page 8).

## **Trade Secret and Proprietary Information**

The Gallegos Corporation insists on the protection of trade secrets, confidential, sensitive, or proprietary information. This is of critical importance to Gallegos. It is therefore expected that all employees take steps to safeguard such information, both while employed with Gallegos and afterwards. Employees must not use any trade secrets, confidential, sensitive, or proprietary information belonging to Gallegos in any manner that is unauthorized or detrimental to the best interests of Gallegos.

## **Discipline/Discharge**

Occasionally performance or other behavior falls short of our standards and/or expectations. When this occurs, management takes action, which, in its opinion, seems appropriate.

Disciplinary actions can range from a formal discussion with the employee about the matter to immediate discharge. Action taken by management in an individual case does not establish a precedent in other circumstances.

## **Personal Information Changes**

Records of all employees are maintained. If changes occur to any of the following items, please notify the Human Resources Department so payroll, insurance and personnel records may be kept current.

- |                         |                            |
|-------------------------|----------------------------|
| 1. Name                 | 5. Beneficiaries           |
| 2. Address              | 6. Marital Status          |
| 3. Telephone Number     | 7. Changes affecting Group |
| 4. Number of Dependents | Insurance Program          |

## **Housekeeping**

We spend many hours in our work facilities. It truly is our "home away from home." Not only do we want to be proud of its appearance but we also want it to be safe for you as well as for our customers. It starts with keeping your work area free of unnecessary clutter. At the end of the day, clean up the area, store away your tools, be they pencils or wrenches. Please leave your workstation ready for tomorrow. The way we maintain our work area reflects to other employees and to our customers how we run our business.

## **Solicitation**

Employees are prohibited from any solicitations, selling merchandise and distributing any unauthorized materials while on the job or while on the work site.

# **BUSINESS ATTIRE**

## **Personal Appearance**

All employees are expected to act and dress safely, appropriately and in a professional manner that reflects favorably upon themselves and The Gallegos Corporation.

It is important for all employees to project a professional image of The Gallegos Corporation. To create this image for clients, visitors and guests, The Gallegos Corporation has implemented a dress code policy. This policy applies to all office personnel and employees who visit the Corporate, Denver, Idaho and Basalt business offices.

The following list is a guideline of what attire is appropriate and inappropriate.

### **Appropriate:**

- Dresses (length no more than 2 inches above the knee)
- Skirts (length no more than 2 inches above the knee)
- Blouses – Shirts with collars
- Blazers
- Vests
- Skorts (length no more than 2 inches above the knee)
- Pants
- Any type of business shoe (heels, flats, clogs, dress sandals, loafers, etc.)
- Work boots are acceptable for those who conduct field work and visit the offices only a few hours daily
- Nice jeans (no holes, clean)
- Mustaches and beards must be clean, well trimmed and neat

### **Inappropriate:**

- Shorts
- Very baggy clothing
- Casual/sport t-shirts (except Gallegos logo gear, collared shirts are a guideline)
- Denim, athletic or shorts more than 2 inches above the knee
- Flip flops or beach-type sandals
- Tennis shoes
- Tank tops, sweat clothes, exposed, midriff, halter tops, etc.
- See-through, transparent clothing
- Exposed cleavage
- Ball caps
- Strong perfume, cologne, or patchouli oil
- Facial jewelry, such as eyebrow rings, nose rings, lip rings, and tongue studs must not be worn during work. Nose studs less than 1/8 inch in diameter are acceptable.
- Unnaturally colored hair such as blue or magenta and extreme hairstyles

- Visible excessive tattoos and similar body art must be covered during business hours
- Offensive body odor and poor personal hygiene

These policies may be changed as the fashion industry continues to challenge us.

Thank you for your compliance with this policy and helping to make this a professional environment for our clients, visitors and guests.

## **PERFORMANCE EVALUATIONS**

Gallegos endeavors to conduct employee reviews. Please contact and advise your supervisor or The Human Resources Department if more than a year has passed since receiving formal feedback. The performance appraisal allows employees to discuss their overall performance with their supervisor and summarize both formal and informal performance discussions that may have been held throughout the review period. Evaluations and informal discussions of job performance and goals at other times are encouraged.

## **SEPARATION OF EMPLOYMENT**

We request that employees who wish to resign their positions notify their supervisor or Human Resources of their anticipated departure date and go over the “check out” procedures at separation (conversion of insurance, return of property, delivery of final paycheck, etc.) with the Human Resources Department.

Former employees may be considered for re-employment provided they qualify for the position and maintained satisfactory performance and attendance during their prior employment with Gallegos.

## **COMMUNICATION SYSTEMS**

The communication systems are property of The Gallegos Corporation and intended for business use. Therefore, Gallegos maintains the ability to access any computer files, use of software, internet usage, email and voice mail. Gallegos may monitor all emails, voice mails, internet use, including personal networking sites and any files created, stored, or deleted using Gallegos equipment. Although employees may select individual passwords, employees should not assume that such files are confidential. However, other than management employees acting on behalf of The Gallegos Corporation, employees should not attempt to gain access to another employee’s computer, internet files, email, or voice mail without the latter’s permission.

All information regarding access to Gallegos’s computer resources, such as user identifications, modem phone numbers, access codes, and passwords are Gallegos confidential information and may not be disclosed to non-Gallegos personnel.

### **Personal Use of the Internet and PDA’s**

Use of the internet and PDA’s must not disrupt the operation of the Gallegos network or the networks of other users. It must not interfere with employees’ productivity.

### **Social Media**

This policy applies to multi-media, social networking websites, blogs and wikis for both professional and personal use. When you are participating in social networking, you are representing both yourself personally and The Gallegos Corporation. Do not post any financial, confidential, sensitive or proprietary information about Gallegos or any of our clients and candidates. Speak respectfully about our current, former and potential customers, partners, employees and competitors. As a Gallegos employee, be aware that you are responsible for the content you post and that information remains in cyberspace forever. We expect employees to use good judgment and to seek permission before posting any material that may represent Gallegos. Personal use of social media during work hours should be limited to breaks and meal times.

## **Software and Copyright**

The Gallegos Corporation licenses, and does not own the software it utilizes. Therefore, use of the software must be in accordance with the applicable Software Agreements or as directed by Gallegos's designated IT Manager

Employees must not use Gallegos technology resources to copy, retrieve, forward or send copyrighted materials unless the employee has the author's permission.

## **Unauthorized Use**

Employees are not permitted to visit websites or send electronic mail that is deemed by management as inappropriate or in violation of other Gallegos guidelines. We reserve the right to determine when an employee is using Gallegos communication systems inappropriately.

Use of Gallegos's technology to access websites or exchange information that is pornographic, obscene, or discriminatory, or for purposes directly or indirectly related to gambling is strictly forbidden and will be subject to disciplinary action up to and including termination.

Downloading of any programs onto Company computers without the expressed permission of the IT Manager is strictly prohibited and subject to disciplinary action.

## **Email**

Because Gallegos provides the email system to employees to help them with the performance of their job, it should be used for official Gallegos business. Incidental and occasional personal use of email is permitted. However, employees should be aware that all email messages to and from Gallegos email addresses or on Gallegos computers or PDAs will be considered as business messages and subject to Gallegos review at any time without notice. Please be aware that even after an email is deleted, back up copies of all emails are permanently stored by the company.

Employees should use discretion when sending emails. Do not write anything in an email message that is inappropriate to say to others face-to-face.

## **Voice Mail**

Employees are responsible to make certain their voice mail messages are reviewed in a timely fashion. When employees know that they are going to be out of the office for a day or more, they must leave messages on their voice mail stating when they will be returning messages, and who will be an alternative contact in the meantime.

## **Telephones/Cell Phones**

In the interest of good business practice, telephone calls, including those made with cell phones,

must not interfere with employees' performance of their jobs. Personal use of Gallegos telephones for long distance is not permitted.

Gallegos provides cell phones to those employees who need them to perform their jobs. Such phones are intended for business use. Therefore, personal calls should be limited to those absolutely necessary and should be brief.

For safety reasons, employees should avoid the use of cell phones while driving and follow all applicable state laws including no texting while driving.

## **ACKNOWLEDGEMENT OF RECEIPT**

I have received a copy of The Gallegos Corporation Employee Handbook dated January 2011.

I understand that my employment with The Gallegos Corporation is “at-will” and is not for a fixed period of time. Both I and The Gallegos Corporation have the right to terminate this employment at any time for any reason. The language used in this handbook and any verbal statements of management are not intended to constitute a contract of employment, with expressed or implied, nor are they a guarantee of employment for any specific duration.

I understand that no representative of The Gallegos Corporation, other than the President of the organization, has authority to enter into an agreement of employment for any specific period and such an agreement of employment for any specific period and such agreement must be in writing, signed by the President and myself. We have not entered into such an agreement.

Further, I understand that the contents of this handbook are summary guidelines for employees and therefore not all inclusive. This handbook supersedes all previously issued editions. Except for the at-will nature of employment, the organization reserves the right to suspend, terminate, interpret or change any or all of the guidelines mentioned, along with any other procedure, practices, benefits or other programs of The Gallegos Corporation. These changes may occur any time, with or without notice.

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

\_\_\_\_\_ Employee Name (Please Print)

\_\_\_\_\_ Date

