

CATS employee handbook approved April 2018



CAPITAL AREA TRANSIT SYSTEM EMPLOYEE HANDBOOK

REVISED AND APPROVED APRIL 2018

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INTRODUCTION

Welcome to Capital Area Transit System! Thank you for joining our outstanding team of dedicated employees. We consider our staff to be our most valuable resource and believe that the collaborative efforts of our team will warrant great success for CATS.

Whether you have just joined us or have been on the CATS roster, we are confident that you will find our organization a friendly and rewarding place to work. We look forward to a productive and successful work relationship.

This employee handbook has been written to serve as a guide for the employer/employee relationship and will inform you about CATS' vision and mission, employment practices, the benefits that we provide, and help clarify your responsibilities as a CATS employee.

This manual contains general information for all CATS employees. This includes administration, management, operations, maintenance and all other job classifications. CATS management reserves the right to manage the company in the best interest of its employees, customers, taxpayers and the general public. If you have any questions regarding any policies, please ask your supervisor, department head, or any member of CATS management for assistance.

This handbook is an employment policy manual designed to inform employees about the various federal, state and CATS policies that affect your employment with us. This is not a contract, express or implied, guaranteeing employment for any specific duration. Although we hope that your employment relationship with us will be long term, either you or CATS may terminate this relationship at any time, for any reason, with or without cause or notice. Please understand that no supervisor, manager, or representative of CATS, other than the CEO, has the authority to enter into any agreement with you for employment for any specified period or to make any promises or commitments contrary to the foregoing. Further, any employment agreement entered into by the Chief Executive Officer shall not be enforceable unless it is in writing. Please also understand that no supervisor, manager, or other representative of CATS has the authority to make any verbal promises, commitments, or statements of any kind regarding CATS' policies, procedures, or any other issues that are legally binding on the Company.

We wish you success in your position and hope that your employment relationship with CATS will be a rewarding experience.

MISSION STATEMENT

Mission: Enriching the lives of our customers and communities by offering independence and safety...connecting you to what matters.

ADOPTED STRATEGIC PRIORITIES FOR CAPITAL AREA TRANSIT SYSTEM

- **SAFETY, SERVICE QUALITY AND RELIABILITY**
 - Increase On-Time Performance from 70% to 80% by December 31, 2019 and to peer agency standard by December 31, 2022
 - Decrease travel times for major origin/destination points to 50 minutes in order to grow ridership base by December 31, 2018
 - Establish baseline metric for measuring customer satisfaction to strengthen ridership base by March 31, 2018
 - Decrease the number of preventable accidents by 50% by December 31, 2018
 - Obtain and maintain industry standard fleet age of vehicles through 2022

- **FINANCIAL RESPONSIBILITY, ACCOUNTABILITY AND STEWARDSHIP**
 - Increase farebox recovery ratio to peer agency standard by December 31, 2022
 - Increase the amount of supplemental/alternative funding sources by a total of \$10 million by December 31, 2022
 - Improve planning and management of budgetary resources and expenditures to advance strategic goals of CATS

- **OUTREACH, COMMUNITY AND STAKEHOLDER ENGAGEMENT**
 - Strengthen community pride for CATS through increased face-to-face stakeholder interaction
 - Regionalize service to one eligible neighboring town/parish by December 31, 2022

- **WORKFORCE STABILITY, ENGAGEMENT AND PERFORMANCE**
 - Hire key positions so that vacancies do not exceed 10% of allocated headcount by December 31, 2018
 - Develop a performance management process for the organization by October 31, 2019
 - Create an environment that fosters and promotes workplace safety, operational performance and employee morale by December 31, 2018

- **STRATEGIC CAPITAL IMPROVEMENTS AND INVESTMENTS**
 - Prioritize the chief needs and identify preliminary funding sources for components of the Capital Improvements and Investments Plan
 - By April 30, 2018, begin rollout of the Capital Improvements and Investments Plan

THE CATS STORY

WELCOME ABOARD! You are now an important member of the Capital Area Transit System team.

The purpose of the Capital Area Transit System is to provide reliable and quality service to the users of public transit in the Baton Rouge Metropolitan area.

Capital Area Transit System's legacy extends as far back as 1881, when mule-driven trolley cars operated on Government Street as the Baton Rouge Street Railroad Company. Eleven years later, the Capital Railway and Lighting Company was born. Instead of mule-driven trolleys, the first electric cars were used to transport Baton Rougeans around town.

Through the years, CATS has worn different "hats" as it evolved from a private business to a political subdivision of the State of Louisiana, created by a special act of the Louisiana legislature. The name of the agency changed many times from the Baton Rouge Bus Company to Metro Transit to the present-day Capital Area Transit System, but they all had one thing in common – transporting the people of the Baton Rouge area.

For many years Capital Area Transit System operated from its streetcar/bus barn near the intersection of Plank Road and Scenic Highway, and then, from

a location on Seneca Street. In May 1998, CATS moved into its present

Administrative/Maintenance facility at 2250 Florida Boulevard. The current facility features a state-of-the-art air-conditioned bus repair and maintenance shop, administrative offices, and break areas for all employees.

In June 1999, CATS began operating buses seven (7) days a week, 363 days a year. Also in 1999, extended hours were added, with some routes operating later into the evening. Just recently, ten additional routes were added and the existing service was modified to provide our customers with optimal service.

Administration office hours are Monday through Friday from 8:00 a.m. to 4:30 p.m. At this time, the Maintenance Department operates 24 hours a day, seven days a week. Bus operations begin when the dispatcher reports before dawn, seven days a week, ready to send out the fleet.

The CATS Transfer Center – the terminal – is located next door to the Administration building. The terminal is currently the main location for transferring buses. The Customer Service Center at the terminal provides route and scheduling information, bus passes, bus tokens and change. CATS has five transfer hubs in Baton Rouge. In addition to the terminal located next door, hubs are located at Earl K. Long, Cortana Mall, Mall of Louisiana, and Town Square.

Capital Area Transit System maintains a fleet of more than eighty (80) buses and ten (10) supervisory and service vehicles. CATS also has twenty (20) or more vehicles sub-contracted for demand response and expanded route service.

ORGANIZATION

Capital Area Transit System is comprised of three departments: Administration, Operations, and Maintenance. CATS also has service provided by third party contractors, such as Demand Response Service (ADA) for patrons with disabilities, and certain expanded service fixed routes.

Administration

The Administrative Department is responsible for setting goals and policies consistent with the direction provided by the CATS Board of Directors and the Chief Executive Officer. The administrative department employs personnel responsible for payroll, human resources, procurement, public relations,

information technology, grants, and financial management.

Operations

The Operations Department is the transportation hub of the company. This department is responsible for assisting with determining routes, assigning buses to the routes, assuring that operators are available to drive all routes, and overseeing the performance of the operators. In this department, you will find the Chief of Operations, Director of Operations, Operations Managers, street supervisors, dispatchers, and operators. Our facilities team is also part of the operations department and is responsible for the upkeep and maintenance of the entire facility and bus shelters.

Maintenance

The Maintenance Department is responsible for all facets of maintenance on CATS-owned transit vehicles. This includes scheduled preventive maintenance, as well as emergency repair. This department also performs repair work on CATS fleet of supervisor and support vehicles. Personnel include the Maintenance Director, Maintenance Manager, maintenance supervisors, mechanics, body and paint personnel, tire technicians, and utility personnel.

Transfer Center/Terminal/Transfer Hubs

The Transfer Center or terminal is where the day-to-day activity of people transferring buses takes place. At the Transfer Center, you will find a Terminal Manager, customer service representatives, and building and grounds crew employees. The transfer hubs are not manned by CATS employees. The transfer hub locations are Cortana Mall, Mall of Louisiana, Earl K. Long, and Town Square.

ADA Service

In order to meet all the requirements necessary to comply with the Americans with Disabilities Act (ADA), CATS formed a relationship with a third-party contractor to operate the Demand Response, curb-to-curb paratransit system. Upon request and approval, disabled riders, as defined by the Americans with Disabilities Act, are provided pick-up and drop-off service to locations of their choice, within a defined "corridor" of three-fourths of a mile on either side of a fixed route.

EMPLOYMENT POLICIES

EQUAL EMPLOYMENT OPPORTUNITY

CATS strongly believes in nondiscriminatory employment practices and has established policies and procedures to further our equal opportunity standards. CATS complies with all applicable federal, state, and local laws governing nondiscrimination.

CATS strives to treat each of its employees fairly, equitably, and honestly, without discrimination or bias. CATS will not make any decision regarding the hiring, tenure or performance of any employee based on an employee's race, religion, national origin, age, gender, sexual orientation, disability, or veteran status. Likewise, the company maintains a "zero tolerance" policy toward harassment of any kind based on the above criteria.

Employees who believe that they have been subjected to discrimination in any form should file a written complaint with Human Resources or the Compliance Officer. The Human Resources department and/or Compliance Officer shall investigate all complaints. The company will not retaliate against any employee who files a complaint in good faith, even if an investigation produces insufficient evidence to support the complaint. If, however, the company determines that an employee has filed a complaint based on false information, the company may take disciplinary action against the employee, up to and including termination.

ANTI-HARASSMENT STATEMENT

CATS' policy prohibits the harassment of one employee by another employee on the basis of race, color, religion, gender, sexual identity, national origin, age or disability, whether or not the action is a violation of law, when the conduct:

- * creates an intimidating, hostile or offensive work environment;
- * unreasonably interferes with an employee's work performance, or;
- * otherwise adversely affects an individual's employment opportunities.

Examples of behavior that, depending upon the circumstances, may be considered harassment based upon race, color, religion, gender, national origin, age or disability, include but are not limited to the following:

- * epithets, slurs, or negative stereotyping related to race, color, religion, gender, national origin, age or disability;
- * threats, intimidation or hostile acts that relate to race, color, religion, gender, national origin, age or disability;
- * written or graphic material that is placed on walls, bulletin boards, or elsewhere on the Company's premises that shows hostility or aversion toward an individual or group based upon race, color, religion, gender, national origin, age or disability;
- * verbal or physical acts that purport to be "jokes" or "pranks" but are hostile or demeaning with regard to race, color, religion, gender, national origin, age or disability.

The Company regards all forms of harassment on the basis of race, color, religion, gender, national origin, age or disability, whether or not the harassment is a violation of law, as a serious violation of the conditions of employment and will subject an employee found to have violated this policy to disciplinary action, up to and including suspension or dismissal, at the sole discretion of the company.

All employees are responsible for ensuring that the workplace is free from harassment. An employee should not endure any insulting, degrading or exploitative treatment under any circumstances. All employees are required to report violations of this policy immediately by following the **Complaint Procedure** set forth below.

SEXUAL HARASSMENT

Sexual harassment in any form is prohibited under this policy. Sexual harassment is a form of discrimination and is unlawful under Title VII of the Civil Rights Act of 1964. According to the Equal Employment Opportunity Commission (EEOC), 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 or rejection of such conduct is used as the basis for employment decisions...or such conduct has the purpose or effect of...creating an intimidating, hostile or offensive working environment."

Sexual harassment includes unsolicited and unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature, when such conduct:

1. Is made explicitly or implicitly a term or condition of employment.
2. Is used as a basis for an employment decision.

3. Unreasonably interferes with an employee's work performance or creates an intimidating, hostile or otherwise offensive environment.

Sexual harassment does not refer to behavior or occasional compliments of a socially acceptable nature. It refers to behavior that is unwelcome, that is personally offensive, and that lowers morale and therefore interferes with work effectiveness. Sexual harassment may take different forms. No employee, whether male or female, should be subjected to unsolicited and unwelcome sexual overtures, sexual conduct or harassment, whether verbal or physical, by anyone, whether or not the action is a violation of federal and/or state law.

For the purpose of this policy and complaint procedures, harassment based on gender means harassment or other unequal treatment of an employee that would not occur but for the sex of that employee. Such conduct need not be sexual in nature. Rather, it is conduct directed at a particular sex that is motivated by sentiment against that sex.

Examples of conduct that may constitute sexual harassment are:

1. Verbal: A sexual innuendo, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks, threats. Requests for any type of sexual favor (this includes repeated, unwelcome requests for dates). Verbal abuse or "kidding" that is oriented toward a prohibitive form of harassment, including that which is sex oriented and considered unwelcome.
2. Nonverbal: The distribution, display or discussion of any written or graphic material, including calendars, posters and cartoons that are sexually suggestive or show hostility toward an individual or group because of sex; suggestive or insulting sounds; leering; staring; whistling; obscene gestures; content in letters and notes, facsimiles, email, photos, text messages, Internet postings, etc., that is sexual in nature.
3. Physical: Unwelcome, unwanted physical contact, including but not limited to touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing, fondling; forced sexual intercourse or assault.

Normal, courteous, mutually respectful, pleasant, non-coercive interaction between employees, including men and women, that is acceptable to and welcomed by both parties, is not considered to be harassment, including sexual harassment.

The Company regards all forms of harassment on the basis of sex or gender, whether or not the harassment is a violation of law, as a serious violation of the conditions of employment. An employee found to have violated this policy is subject to disciplinary action, up to and including suspension or dismissal, in

the sole discretion of the company.

All employees are responsible for ensuring that the workplace is free from sexual harassment. An employee should not endure any insulting, degrading or exploitative sexual treatment under any circumstances. All employees are required to report violations of this policy immediately by following the **Complaint Procedure**.

COMPLAINT PROCEDURE

Report any incident of harassment based on your race, color, religion, gender, age, disability or another factor, or in which you believe that you have been treated in a discriminatory manner, to either Human Resources or the Compliance Officer. If you feel that both of these parties are complicit in the conduct, you may make your report to the Chief Executive Officer. If you still feel as if your issue has not been rectified then you can contact:

Louisiana Commission on Human Rights
1001 N. 23rd St., Suite 262
Baton Rouge, Louisiana 70802
Phone: (225) 342-6969

Complaints should be made in writing, detailing the facts surrounding the alleged incident including a complete description of the offensive conduct, the date it occurred and any potential witnesses. Forms for this purpose can be obtained from Human Resources or the Compliance Officer.

Once a complaint is received, an investigation of the complaint will be conducted in as timely a fashion as is practical in light of all surrounding circumstances, including but not limited to, the business needs of the Company. The employee will be informed of the results of the investigation and appropriate action will be taken in response to the complaint.

All complaints will be treated confidentially to the extent possible, in light of the need to investigate the complaints. Any employee who is interviewed as part of an investigation is obligated to cooperate and tell the truth. Any employee who violates the confidentiality of the investigation, or who gives false information, may be subject to discipline, up to and including termination of employment. All employees shall adhere to the confidential nature of an investigation and shall not discuss any part of the investigation with anyone.

No disciplinary or retaliatory action will be taken against any employee for

reporting harassing conduct. However, if it is discovered that the complaint is made in bad faith, the person making the complaint may be disciplined, up to and including termination of employment. No discipline or retaliatory action can or will be brought against anyone because of their cooperation in investigating a complaint. Any employee who is found to have violated this policy of non-retaliation may be subject to discipline, up to and including termination of employment.

The Company reserves the right to place the person accused of harassment on paid suspension, pending the outcome of the investigation. If the investigation uncovers a violation of Company policy, CATS reserves the right to retroactively make the suspension without pay and/or terminate the employment of the accused. If, as a result of the investigation, an employee is believed to have engaged in harassing behavior with respect to race, color, religion, gender, national origin, age, disability, or sexual harassment, whether or not the behavior is in violation of law, that employee will be subject to immediate disciplinary action, up to and including termination, in the sole discretion of the Company.

WORK RELATED COMPLAINTS/GREIVANCES

Employees who wish to file work related (nondiscrimination) complaints/grievances should follow the following procedure:

Step One- Discuss the complaint with their immediate supervisor.

Step Two- If the employee feels that the complaint was not resolved, he/she may prepare and submit a formal written complaint for review by the person to whom their supervisor reports. The complaint form is located in the appendix of this handbook and should be submitted within 7 days after the discussion with the supervisor.

Step Three- If the employee is still not satisfied with the outcome of the complaint, he/she can submit their complaint to the Human Resources Director. The Human Resources Director will schedule a meeting to include the employee and the employee supervisor to attempt to remedy the employee concern. The meeting should be scheduled within 7 days of the receipt of the escalated complaint.

Step Four- If the Step Three decision is not satisfactory to the employee, the employee can submit their complaint to the Chief Executive Officer for further review and resolution.

MEDICAL EXAMINATIONS

As part of CATS' employment procedures, applicants for safety-sensitive positions are required to undergo a post-offer, pre-employment medical examination and a drug screening that is conducted by a physician or company designated by CATS. Any offer of employment to which an applicant for a safety-sensitive position receives from CATS is contingent upon, among other things, satisfactory completion of this examination and screening and a determination by CATS and its examining medical personnel that the applicant is capable of performing the essential functions of the position that has been offered, with or without a reasonable accommodation.

As a condition of continued employment, employees in safety-sensitive positions will also be required to undergo periodic medical examinations, and/or alcohol and drug screenings, at times specified by the Company. Information obtained from this examination is confidential and will be used only in accordance with applicable federal, state, and/or local regulations or laws.

In connection with these examinations, employees may be required to provide CATS with access to their medical records. Further, it should be understood that CATS receives a full medical report from its examining medical personnel regarding the applicant or employee's state of health. All company-required medical examinations and alcohol and drug screenings are paid in full by CATS. Questions about medical examinations or alcohol and drug screenings should be directed to the Drug and Alcohol Coordinator.

ORIENTATION PROGRAM

On your first day of employment, you will also be asked to complete all necessary paperwork, such as medical benefits plan enrollment forms, beneficiary designation forms, and appropriate federal, state, and local tax forms. At this time, you will be required to present CATS with information establishing your identity and your eligibility to work in the United States in accordance with applicable federal law.

Please use this orientation period to familiarize yourself with CATS, as well as our policies and benefits. We encourage you to ask any questions you may have, so that you will understand all of the guidelines that affect and govern your employment relationship with us.

PERSONNEL FILES

CATS maintains personnel files on each employee. These files contain

documentation regarding all aspects of the employee's tenure with CATS, such as performance appraisals, beneficiary designation forms, disciplinary warning notices, and letters of commendation. If you are interested in reviewing your file, contact a member of human resources to schedule an appointment.

To ensure that your personnel file is up-to-date at all times, notify human resources of any changes in your name, telephone number, home address, marital status, number of dependents, beneficiary designations, scholastic achievements, the individuals to notify in case of an emergency, and so forth.

INDIVIDUALS WITH DISABILITIES

CATS complies with the Americans with Disabilities Act and applicable state and local laws providing for nondiscrimination in employment against qualified individuals with disabilities. CATS also provides reasonable accommodation for such individuals in accordance with these laws.

CATS will evaluate the feasibility of requested accommodations in light of the ADA's guidelines, determine whether such accommodations will create an undue hardship on CATS, and review the corporate budget for accommodations. It is CATS policy to, without limitation:

1. Ensure that qualified individuals with disabilities are treated in a non-discriminatory manner in the pre-employment process, and that employees with disabilities are treated in a non-discriminatory manner in all terms, conditions, and privileges of employment.
2. Administer medical examinations after conditional offers of employment have been extended when justified by business necessity or for safety-sensitive positions.
3. Keep all medical-related information confidential in accordance with the requirements of the ADA and retain such information in separate confidential files.
4. Provide applicants and employees with disabilities with reasonable accommodation, except where such an accommodation would create an undue hardship on CATS.
5. Notify individuals with disabilities that CATS provides reasonable accommodation to qualified individuals with disabilities, by including this policy in CATS' employee handbook and by posting the Equal Employment Opportunity Commission's poster on not discriminating against individuals with disabilities and other protected groups conspicuously throughout CATS' facilities.

PROCEDURE FOR REQUESTING AN ACCOMMODATION

Qualified individuals with disabilities may make requests for reasonable accommodation to Human Resources. Upon receipt of an accommodation request, Human Resources will discuss the accommodations request with the supervisor or department head and will also meet with the requesting individual to discuss and identify the precise limitations resulting from the disability and the potential accommodation that CATS might make to help overcome those limitations.

CATS will determine the feasibility of the requested accommodation, considering various factors, including, but not limited to, the nature and cost of the accommodation, outside funding, the facility's overall financial resources and organization, and the accommodation's impact on the operation of the facility, including its impact on the ability of other employees to perform their duties and on the facility's ability to conduct business.

Human Resources will inform the employee of CATS' decision on the accommodation request or on how to make the accommodation. If the accommodation request is denied, employees will be advised of their right to appeal CATS' decision by submitting a written statement to the CEO along with the reasons for the request.

DRUG AND ALCOHOL POLICY

The abuse of drugs and alcohol in the transportation workplace poses a significant risk to co-workers and the riding public. While there is legitimate concern about the invasion of employees' privacy, there is also the need to provide the safest service possible.

Therefore, in attempting to balance these competing interests, the U.S. Department of Transportation (DOT) and the Federal Transit Administration (FTA) have developed policies which attempt to find a middle ground – protecting employee interests as well as the public interest in safety. Capital Area Transit System is required to follow these policies, and in doing so, has adopted its own Drug and Alcohol Policy. In some respects, CATS' policy is more stringent than that required by DOT and the FTA.

Each employee will be given a complete copy of CATS' Drug and Alcohol Policy upon hire, and will be required to sign a statement that they have read it and will comply.

In addition, participation in CATS' drug and alcohol testing program is a

requirement of each safety-sensitive employee, and is therefore a condition of employment.

The objectives of the CATS policy include, but are not limited to:

- * The protection and safety of CATS employees, patrons and the public at large.
- * The maintenance of productive CATS employees.
- * The avoidance of accidents caused or contributed to by the use of drugs and/or alcohol.
- * Serve as an example in the elimination of drug and alcohol use affecting the workplace.
- * The support of any employee's recovery from drug and alcohol dependency or addiction.
- * Ensure consistent disciplinary action for any violation of drug or alcohol abuse policies.
- * The provision of education, training and other preventive methods.

DOT and FTA regulations require that all employees and volunteers who perform safety-sensitive functions be subject to random drug and alcohol testing. The safety-sensitive employees at CATS are generally vehicle operators, whether buses or service vehicles; vehicle inspection and maintenance and support personnel; and supervisors of the individuals who perform any of the functions identified above. CATS also requires all employees to report convictions for operating a motor vehicle while under the influence of drugs or alcohol. You should consult your most recent copy of the Drug and Alcohol Policy for specific rules governing all employees.

If an employee feels that they need assistance pertaining to any type of addiction, they can consult with human resources (Drug and Alcohol Coordinator) for information on the employee assistance plan.

ETHICS

Capital Area Transit System employees have the responsibility to conduct themselves in accordance with the highest standards of ethical conduct and to embrace the principles of honesty, accountability, respect and trust.

All CATS employees are expected to read, understand, and comply with policies approved by the Board of Commissioners as well as policies and procedures issued by CATS management, and to use all available resources for guidance, to complete all mandated training and to fully cooperate with investigations concerning violation of policies or ethics.

Professional conduct is required to ensure that all employees promote a positive image of CATS in the community and create a positive, productive work environment. Therefore, it is the policy of CATS that all job-related activities be conducted consistent with professional standards, which respect both the integrity and dignity of individual employees and members of the public.

How to Report Violations

If there is a violation of any CATS policy, including but not limited to, harassment, discrimination, accessibility or ethics, the alleged violation shall be reported immediately in writing to the employee's supervisor(s) and/or to the staff member designated to handle such violations. If the employee has reason to believe that his or her direct supervisor(s) and/or the CATS designated staff member or appointed officer are personally involved in the violation or wrongdoing, then the employee shall then notify Human Resources. The supervisor or staff designee in conjunction with Human Resources shall ensure that the appropriate investigation is conducted and will be responsible for the interview, investigation, and will report to the findings to the Chief Executive Officer or the Compliance Officer.

False Accusations

Any employee who knowingly files a false complaint against a fellow employee will be subject to disciplinary action up to and including termination.

Physical and Verbal Conduct

It is essential that CATS maintain a cooperative work environment that fosters teamwork, collaborative problem solving and open communication through all levels of the organization. To achieve these standards, CATS expressly prohibits any unwelcomed physical or verbal conduct by any employee that substantially and unreasonably interferes with an individual's work performance or behavior that a reasonable person would consider to be intentionally hostile and abusive. In addition, knowingly or recklessly making and/or perpetuating of defamatory statements or publishing false information concerning any customer, employee or other CATS affiliated person and/or engaging in any other actions, for a malicious purpose is strictly prohibited.

Conflicts of Interest

Acceptance of Gifts

CATS employees are prohibited from soliciting or accepting a gift from any person or party seeking to obtain a contractual or other business or financial relationship with CATS.

“Gift” for purposes of this rule does not include: salary, expenses and other employment payments; awards, plaques or similar items given in recognition of service; food or beverage consumed at a single sitting or event that does not exceed \$58; items or personal favors obviously granted as a result of family or personal relationships; the value of a function which the employee attends in his or her capacity with CATS or participation in trade or professional association activities on behalf of and/or properly approved by CATS.

Post-Employment

No employee, for a period of two (2) years after leaving CATS’s employment, will be allowed to do business with CATS.

Nepotism

Relationship by family or marriage constitutes neither an advantage nor a deterrent to employment at CATS, provided that the individual meets the appropriate standards for the position to be filled and provided that the individual will not be in the chain of supervision of a spouse, family member, or person with whom the individual is dating. Employment will be denied under the following circumstances:

1. Where one family member would have the authority or practical power to supervise, appoint, remove, or discipline another;
2. Where one family member would be responsible for auditing the work of another;
3. Where other circumstances exist which would place family members in a situation of actual or reasonably foreseeable conflict between the employer's interest and their own.

Applicants who are denied employment to a particular position for one of the foregoing reasons will be considered for other vacant positions for which they may be qualified. Failure to advise CATS of the existence of one of these circumstances may result in a withdrawal of an offer of employment or actual discharge from employment.

Existing CATS employees who become involved in one of the foregoing circumstances have an obligation to advise Human Resources about the conflict. Every effort will be made to resolve the conflict without loss of employment to either employee; however, CATS reserves the right to transfer

one or both employees, to discharge one or both employees or to demote one or both employees to resolve the conflict. Employees who fail to advise CATS of the existence of a family, spousal or dating relationship under one of these circumstances will be subject to discipline, up to and including discharge.

Procurement

During the time that CATS is in the process of soliciting bids for goods or services, the procurement documents normally require interested parties to seek information solely from one designated person. No employee shall engage in communications with bidders or potential bidders outside of that process on the subject of a pending procurement.

Potential Conflict Disclosure

Any employee who believes that they may possibly be facing a conflict of interest in the performance of their duties should make an appointment and discuss the matter with the Human Resources Department. Failure to make such a disclosure may be considered evidence of a willful violation.

A. Employee Whistleblower Policy

It is the intent of CATS to encourage the proper disclosure and reporting of violations of law, improper use of governmental funds, and any other abuse or gross neglect on the part of CATS, its public officers or its employees as defined by the Louisiana Whistleblower Protection for Public Employees Act. No employee who is protected by the Louisiana Whistleblower Act shall be dismissed, disciplined or have any other adverse personnel action taken against him or her solely on the basis of disclosing such information, unless otherwise permitted by law.

COMPENSATION POLICIES

PROBATIONARY PERIOD

All full time employees governed by the collective bargaining agreement shall be on a probationary period for ninety (90) days. During this period, employees will be evaluated on their competency in the position that they are

in. Employees who fail to meet the requirements of the position will be terminated or demoted to an available position. Administrative employees and other employees not covered by the collective bargaining agreement are considered at will and can be terminated at any time without notification.

CLASSIFICATIONS OF EMPLOYMENT

CATS generally classifies its employees and other workers as follows:

- * *Full-time regular employees.* Employees hired to work CATS' normal, full-time, forty (40) hour workweek on a regular basis. Such employees may be "exempt" or "nonexempt" as defined below.
- * *Part-time regular employees.* Employees hired to work fewer than 35 hours per week on a regular basis. Such employees may be "exempt" or "nonexempt" as defined below.
- * *Temporary employees.* Employees engaged to work full-time or part-time on CATS' payroll with the understanding that their employment will be terminated no later than on completion of a specific assignment. (Note that a temporary employee may be offered and may accept a new temporary assignment with CATS and thus still retain temporary status.) Such employees may be "exempt" or "nonexempt" as defined below. (Note that employees hired from temporary employment agencies for specific assignments are employees of the respective agency and not of CATS.)
- * *Nonexempt employees.* Employees who are required to be paid overtime or to receive compensatory time in lieu of overtime, at the rate of time and one half (i.e., one-and-one-half times) their regular rate of pay for all hours worked beyond forty hours in a workweek, in accordance with applicable federal wage and law hours.
- * *Exempt employees.* Employees who are not required to be paid overtime or to receive compensatory time in lieu of overtime, in accordance with applicable federal wage and hour laws, for work performed beyond forty hours in a workweek. Executives, professional employees, supervisors and managers, and CATS employees in administrative positions are typically exempt.

Although not required by law, CATS may provide compensatory time for exempt employees who work in excess of 40 hours, through prior agreement with the employee. See the section under compensatory time for more information.

Your job description will have your FLSA exemption status noted. Should you change positions during your employment as a result of a promotion, transfer, or otherwise, you will be informed by Human resources of any change in your

exemption status. Please direct any questions regarding your employment classification or exemption status to human resources

WORK HOURS

The regular workweek for all full-time administrative employees is forty (40) hours, divided into five days, with employees regularly scheduled to work eight (8) hours per day.

The normal work hours for full-time administrative employees will vary upon departmental needs but are typically 8:00 am to 4:30 pm with a one half hour unpaid meal period. If you do not take a 15 minute break in the morning and afternoon they can be combined so that one hour can be taken for lunch. All lunch breaks should be completed by 2:30 pm. Flex time is available at the discretion of your department head. If you are a part-time employee, your working hours and schedule will be arranged by your supervisor.

Daily and weekly work schedules may be changed from time to time at the discretion of CATS to meet the varying conditions of our business. Changes in work schedules will be announced as far in advance as practicable.

RECORDING WORK HOURS

It is the policy of CATS to comply with applicable laws that require records to be maintained of the hours worked by our employees. To ensure that accurate records are kept of the hours you actually work and of the leave time you have taken, and to ensure that you are paid in a timely manner, you will be required to record your time worked and your absences on CATS' official time record form for your department.

Please ensure that your actual hours worked and leave time taken are recorded accurately or reported to your supervisors. Falsification of a time record is a breach of company policy and is grounds for disciplinary action, up to and including discharge.

REGULAR PAY PROCEDURES

CATS employees are paid by check and/or direct deposit on a bi-weekly basis, every other Friday. If a scheduled payday falls on a company-observed

holiday, you will be compensated on the day preceding the holiday. All required deductions, such as federal, state, and local taxes will be withheld automatically from your paychecks.

Other authorized payroll deductions, when requested by the employee, include:

- Group health insurance
- Group life insurance
- City-Parish Credit Union deposits

- CATS matched pension programs
- CATS Cafeteria Plan
- Garnishments, child support payments, and other court-ordered deductions
- Other supplemental insurances

Please review your paycheck for errors. If you find a mistake, please discuss with your supervisor. Once it is determined how the error occurred, please report to human resources for further instruction.

COMPENSATORY TIME

On occasion, both exempt and non-exempt employees may be asked to work beyond the usual 40 hours in a week. Employees who are not covered by the collective bargaining agreement will ordinarily not receive overtime pay for such work, but are eligible to receive compensatory time in lieu of overtime pay. Compensatory time is accrued at the straight time rate for exempt employees and at the time and one half rates for non-exempt employees.

Compensatory time must be approved by your supervisor prior to earning it. Employees are not allowed to earn compensatory hours over 200 hours. If an employee earns over 200 hours of compensatory time due to coverage for multiple/simultaneous events, he/she may either be paid to an amount below 200 hours or required to take the earned compensatory leave. **All compensatory time ends December 31, 2014.**

PERFORMANCE REVIEWS

Your performance will be evaluated by your supervisor on an ongoing basis. Employees covered by the collective bargaining agreement will receive their initial evaluation after successfully completing their probationary period. All employees will be evaluated annually during a performance review process. All written performance reviews will be based on your overall performance in relation to your job responsibilities and will also take into account your conduct,

demeanor, and record of attendance and tardiness.

In addition to the regular performance evaluations described above, a supervisor may review your work and make suggestions for improvement periodically during the year.

FAMILY AND MEDICAL LEAVES OF ABSENCE

PART A. Employees Who Qualify for a Leave under the Family and Medical Leave Act (FMLA) of 1993

CATS will grant a leave of absence to regular full-time and regular part-time employees, who have completed at least one full year of service with CATS and have worked a minimum of 1,250 hours in the twelve months preceding the requested leave, for the following reasons:

- Twelve workweeks of leave in a 12- month period for:
 - * The birth of a child and to care for the newborn child within one year of birth;
 - * The placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;* to care for the employee's spouse, child, or parent who has a serious health condition;
 - * A serious health condition that makes the employee unable to perform the essential functions of his or her job;
 - * Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" or
- Twenty-six workweeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

CATS will provide up to twelve weeks of unpaid, job-protected leave to "eligible" employees. Employees must use the twelve weeks within a twelve-month period, and the leave can be used intermittently. Employees will be required to provide documentation of for leave approval. Documentation required may include physician statements, custody documents, etc.

Employees can utilize available sick, vacation, and/or personal leave while out on FMLA. An employee can also take FMLA without using their available leave.

All CATS benefits based upon hours worked (e.g. vacation, sick, and personal days) will cease to accrue during any period of unpaid FMLA leave. If employees are using vacation and sick leave in conjunction with FMLA, they will continue to earn leave during their absence. Employees will accrue seniority during the period.

Employees will be required to use all unused vacation and personal days during the leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

All group health benefits will continue during the leave period provided the employee continues to make regular employee contributions to the plan. If an employee fails to repay the health premiums that CATS paid on his or her behalf, the employee shall be referred to the Louisiana Attorney General for further collection activity.

You will be required to use all unused sick, vacation, and personal days during your leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

All group health benefits will continue during the leave provided the employee continues to make regular employee contributions to the plan. For example, if the employee normally pays 40% of his health insurance premium, his health insurance will continue, provided he pays this amount to CATS. Other benefits, such as pension and life insurance, will be governed by the terms of those plans.

Reinstatement Rights

Eligible employees are entitled on return from leave to be reinstated to their former position or an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment. Exceptions to this provision may apply if business circumstances have changed (e.g., if the employee's position is no longer available due to job elimination). Exceptions may also apply for "key" employees who are highly compensated.

In addition, employees who have requested and been granted an extension of their leave after commencement of their FMLA coverage are not guaranteed reinstatement.

Forms for requesting Family and Medical Leaves of Absence are at the end of this handbook in the appendix. See the form entitled "Family and Medical

Leave of Absence.”

PART B. Leaves for Employees Who Do Not Meet the Minimum Service Requirements for FMLA

Full-time regular and part-time regular employees who have less than one year of service and/or who have not worked a minimum of 1,250 hours during the twelve-month period prior to their leave may request leaves of absence for the reasons set forth above in Part A, subject to the following terms and conditions:

1. Leave requests must be made at least thirty days in advance of the date the employee would like the leave to begin or, in emergency situations, with as much advance notice as is practicable, using CATS' official Leave-of Absence Request Form. (Normally, this should be within two business days of when the need for the leave becomes known to the employee.)
2. The certification requirements and the conditions for required use of accrued time off, benefits, and continuation of group health insurance during leave set forth in Part A apply to all leave requests.
3. Unless applicable state or local law requires otherwise, leaves will be limited to a thirty-day maximum duration, except leaves for the employee's own serious health condition, which may be granted for up to an eight-week period and which may be taken intermittently.
4. Unless applicable state or local law requires otherwise, reinstatement will not be guaranteed to any employee requesting a leave under this Part B. However, CATS will endeavor to place employees returning from leave in their former position or a position comparable in status and pay, subject to budgetary restrictions and CATS' need to fill vacancies and/or its ability to find qualified temporary replacements.

All questions regarding leaves of absence should be directed to Human Resources.

Leave-of-Absence Request Forms are in the appendix at the end of this handbook entitled “Leave of Absence Request Form.”

MATERNITY AND CHILDBIRTH LEAVES OF ABSENCE

Employees who are expecting and qualify for leave under the Family and Medical Leave Act (FMLA) may take up to 12 weeks leave upon meeting the

criteria described in Part A. Employees who do not qualify for FMLA Leave may still qualify for maternity leave under CATS policy. CATS will provide a female employee with twelve weeks unpaid disability leave for normal pregnancy, childbirth or related medical conditions.

For abnormal pregnancies or abnormal childbirth or related medical conditions, which cause the employee to become temporarily disabled, CATS will provide up to four months of disability leave. Appropriate medical certification of the employee's continued disability and inability to work will be required. The employee will be required to provide reasonable notice when she intends to begin the leave and the estimated duration.

Employees will be required to report periodically to their supervisor regarding the employee's status and intention to return to work.

Employees taking pregnancy and childbirth leave will be required to use all unused vacation, sick, and personal days during the pregnancy and childbirth leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

Employees who qualify for leave under the Family and Medical Leave Act and are disabled for longer than the 12-week leave period permitted under that act, may be eligible to extend their leave for a reasonable period of time, generally not to exceed a total leave time of 16 weeks (4 months).. Medical certification will be required. FMLA leave will run concurrently with maternity leave.

Reinstatement rights provided under the FMLA will also be provided to employees extending their leave to 16 weeks. Please see a member of Human Resources for additional information.

LEAVE FOR BONE MARROW DONORS

Louisiana law provides that CATS must provide paid annual leaves of absence for any employee undergoing a procedure to become a bone marrow donor. The combined length of the leaves shall not exceed 40 work hours, unless CATS agrees in advance. CATS may require medical verification by a physician of the purpose and length of each leave requested by the employee to donate bone marrow.

Please see a member of Human Resources for additional information.

JURY AND WITNESS DUTY LEAVE

CATS permits leave for jury duty and witness duty, and will not discharge, without cause, any employee who is called to serve for any type of jury duty. CATS does not condone any type of intimidation or coercion because of an employee's service on a jury. Upon completion of service, the employee will be reinstated to his or her original position without loss of benefits or seniority.

To qualify for jury or witness duty leave, you must submit to your supervisor a copy of the summons to serve as soon as it is received. You must also fill in the Employee leave Request Form.

At the end of jury service, employees who are called to jury duty are required to turn in to their supervisor an "Employer Form". The form will indicate how much you will be paid by the courts for jury duty. CATS will pay you the difference between your regular salary and the amount you receive from the courts for serving as a juror during your active period of jury duty.

Employees should turn in the form to their supervisor who handles time off-requests. If you do not turn in the employer form as soon as your service has ended, your paycheck may be delayed.

The Employer Form can be obtained from the jury coordinator's office immediately after your service as a juror ends.

Jury duty leave of absence will be granted without loss of sick, emergency, or personal leave, or any other benefit.

CATS will make no attempt to have the employee's service on a jury postponed except when business conditions necessitate such action.

All employees are allowed paid time off if subpoenaed to appear in court as a witness.

MILITARY LEAVES OF ABSENCE

Leaves of absence without pay for military or Reserve duty are granted to full-time regular employees. If you are called to active military duty or to Reserve or National Guard training, or if you volunteer for the same, you should submit copies of your military orders to your supervisor as soon as is practicable. You must also complete the Leave of Absence Request Form at the end of this handbook. You will be granted a military leave of absence without pay for the period of military service, in accordance with applicable federal and state laws. If you are a reservist or a member of the National Guard, you are granted time off without pay for required military training. Your eligibility for reinstatement

after your military duty or training is completed is determined in accordance with applicable federal and state laws.

OUR EMPLOYEE BENEFITS PROGRAM

CATS has established a variety of employee benefits programs designed to assist you and your eligible dependents in meeting the financial burdens that can result from illness, disability, and death. We also offer tools to help you plan for retirement.

For complete benefits information, please consult your employee benefits booklet for additional information.

WORKERS' COMPENSATION

To provide for payment of your medical expenses and for partial salary continuation in the event of a work-related accident or illness, you are covered by workers' compensation. The amount of benefits payable and the duration of payment depend on the nature of your injury or illness, and your income prior to the injury. In general, however, all medical expenses incurred in connection with an injury or illnesses are paid in full, and partial salary payments are provided.

If you are injured or become ill on the job, you should immediately report such injury or illness to your supervisor. This ensures that CATS can assist you in obtaining appropriate medical treatment. Your failure to follow this procedure may result in the appropriate workers' compensation report not being filed in accordance with the law, which may consequently jeopardize your right to benefits in connection with the injury or illness.

Questions regarding workers' compensation should be directed to Human Resources.

CONTINUING GROUP HEALTH COVERAGE (COBRA)

FEDERAL LAW: COBRA **(Consolidated Omnibus Budget Reconciliation Act of 1985)**

If you resign or are terminated from CATS' employ or your work hours are reduced, and this event makes you or your dependents no longer eligible to

participate in one of our group health insurance plans, you and your eligible dependents may have the right to continue to participate for up to eighteen (18) months at your (or your dependents') expense. If you are determined to be disabled under the Social Security Act at the time your termination or reduction in hours occurs, or become disabled within sixty (60) days of the termination or reduction in hours, you may be entitled to continuation coverage for up to twenty-nine (29) months.

Your eligible dependents may also extend coverage, at their expense, for up to thirty-six (36) months in our group health insurance plans in the event a qualifying event occurs, such as your death, a divorce, a legal separation, or entitlement to Medicare benefits, or when a child ceases to be eligible for coverage as a dependent under the terms of the plan. The eighteen (18) month continuation coverage period provided in the event of your termination or reduction in working hours may be extended to thirty-six (36) months for your spouse and dependent children if, within that eighteen (18) month period, you die or become divorced or legally separated, or if a child ceases to have dependent status.

In addition, if you enroll in Medicare during the eighteen (18) month period, your spouse and dependent children may be entitled to extend their continuation period to thirty-six (36) months, starting on the date of the original qualifying event. If you are enrolled in Medicare and then incur termination or a reduction in hours, your spouse and dependents can elect continuation coverage for the longer of eighteen (18) months from the termination or reduction of hours, or thirty-six (36) months from the earlier Medicare enrollment by the employee.

A child born to or placed for adoption with a covered employee during COBRA coverage is entitled to the same rights under COBRA as a child or adoptee born or adopted before the COBRA coverage began. However, a covered employee must notify CATS within thirty (30) days of the birth or adoption.

When you leave the employ of CATS you are entitled to a written certificate establishing the period of creditable coverage you were covered under CATS' plan. This written certificate may be necessary for you to avoid pre-existing condition exclusions of any new plan you join.

A covered employee is not entitled to continuation coverage under COBRA if the employee was guilty of misconduct.

If you or your eligible dependents elect under COBRA to continue as

participants in CATS' plans, you may be charged the applicable premium charged CATS by our carriers, plus an additional 2 percent. Employees with disabilities, however, may be charged an additional 50 percent of the applicable premium during the nineteenth (19) through twenty-nine (29) months of continuation coverage. The premium is subject to change if the rates being

charged CATS increase or decrease. If this election for continuation coverage is made, you may have the right to convert this coverage to an individual policy with CATS' insurance carriers at the end of the continuation period.

Continuation coverage may end, however, if any of the following events occur: (1) failure to make timely payments of all premiums; (2) assumption of coverage under another group health plan, which does not exclude or limit coverage to you on account of a preexisting medical condition; or (3) CATS' termination of its group health plans. If you enroll in Medicare, you will no longer be eligible for continued coverage, but, as noted earlier, your spouse and dependent children may be entitled to extend their continuation coverage.

A member of human resources will contact you concerning these options at the time termination occurs or your work hours are reduced. The insurance clerk will contact your qualified beneficiaries in the event of your death or enrollment for Medicare benefits. However, in the event that you become divorced or legally separated, or one of your dependents ceases to be eligible for coverage under our group health insurance plans, you and/or your dependent are responsible for contacting CATS' human resources office within sixty (60) days of the divorce, separation or cessation of dependency status. You and your qualified beneficiaries are also responsible for notifying the insurance clerk within sixty (60) days of qualifying for social security disability benefits.

For further details regarding continuing or converting your group health insurance benefits, please contact a member of Human Resources.

STATE LAW

Under state law, continuation of group health insurance coverage may also be available to an employee or member who has been continuously covered by a group policy for three consecutive months immediately prior to the date of termination. Continuation is not available in cases where 1) a person is or could be covered by any other group health insurance within thirty-one (31) days immediately following termination, 2) where insurance is terminated because of fraud or failure to pay, or 3) where the person is eligible for continuation under COBRA as explained above.

This coverage terminates when the earlier of the following events occur: (1) twelve months from the date the employee or member would have originally lost coverage due to termination of employment or membership, (2) the last day of the policy period in which the employee fails to make a contribution, (3) the date the employee or member becomes eligible for other group benefits, (4) the date the group policy is terminated, or (5) when enrolled in a HMO, the date a person resides outside of the service area.

Again, further details are available by contacting CATS Human Resources office.

FREE TRANSPORTATION

All CATS employees are permitted free transportation on CATS buses all over the city. Employees shall be entitled to free transportation by either producing appropriate identification or a free pass card.

CREDIT UNION

CATS employees are eligible to become members of the East Baton Rouge City-Parish Credit Union. The credit union provides you with a mechanism for saving money through payroll deductions. The credit union also provides other services such as checking accounts, loans and mortgages. If you are interested in enrolling in the credit union, visit the credit union office at 433 Government Street or call them at 389-3059.

DISABILITY INSURANCE

Long and short-term disability is offered to CATS employees through an outside vendor. Please contact a member of human resources to obtain additional information.

CAFETERIA PLAN

The plan permits employees to authorize deductions in salary which are set aside in an account and can be used to pay premiums for group health and life insurance. The deductions are made from salary prior to taxes being calculated.

EMPLOYEE CONDUCT

PERSONAL APPEARANCE AND DEMEANOR

Discretion in style of dress and behavior is essential to the efficient operation of CATS and to the public perception of CATS as a professional organization. Employees are, therefore, required to dress in appropriate business attire and

to behave in a professional, businesslike manner. CATS observes casual dress on Fridays. This type of dress includes jeans, tennis shoes, etc. Please consult with your supervisor for additional information.

No political, religious or personal messages or symbols should be worn.

Employees are also required to keep their work environment clean and orderly.

Employees failing to adhere to proper CATS standards with respect to appearance and demeanor are subject to disciplinary action.

ABSENTEEISM AND TARDINESS

Passengers rely upon CATS to provide reliable transportation. Therefore, CATS expects all employees to assume diligent responsibility for their attendance and promptness. Whether you drive a bus, maintain a bus, provide scheduling and route information to customers or pay the bills which enable the buses to operate, you play an important role in CATS' operations, and consistent attendance is important.

CATS understands that injuries and illness may occur and has established sick leave, personal days and leave of absence plans to compensate full-time regular employees for certain time lost for legitimate medical reasons, including time off to secure necessary treatment for a disability. (Please consult the appropriate sections of this handbook for information regarding these benefits.)

Unless your department has specific regulations of its own, if you are unable to work because of illness, you must notify your supervisor or department head prior to the start of your work day on each day of your absence. If you are granted an authorized medical leave, different notification procedures apply. (See the Family and Medical Leaves of Absence policy and leaves of absence earlier in this handbook.) Failure to properly notify CATS results in an

unexcused absence.

Scheduled absences include:

1. Regular day off
 2. Authorized vacation (approved in advance)
 3. Sick leave, if proper notification is given.
 4. Authorized leave of absence (approved in advance)
 5. Personal Days (floating holidays and birthday)
 6. Company Holidays
7. Other authorized absences such as for court attendance, jury duty, funeral leave, when properly approved.

Absences not listed above or approved in advance are considered unscheduled absences and may count against performance.

Absenteeism or tardiness that is unexcused or excessive in the judgment of management is grounds for disciplinary action, up to and including dismissal.

GUIDELINES FOR APPROPRIATE CONDUCT

As an integral member of the CATS team, you are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. You are expected to avoid conduct which may cause embarrassment or the appearance of impropriety to the Company. This not only involves sincere respect for the rights and feelings of others but also demands that both in your business and your personal life you refrain from any behavior that might be harmful to you, your coworkers, and/or CATS, or that might be viewed unfavorably by current or potential customers or by the public at large.

All employees are reminded that whether on or off duty, your conduct reflects on CATS. You are, consequently, encouraged to observe the highest standards of professionalism at all times. Non-bargaining unit employees, in particular, such as supervisors and managers, are expected to exhibit good judgment and to conduct themselves in an exemplary manner at all times. While CATS has no desire to interfere with the private lives of its employees, or their off-duty conduct, where such conduct places the Company in a negative light, CATS reserves the right to take whatever action is appropriate, in its discretion, to protect CATS' interests.

Types of behavior and conduct that CATS considers inappropriate, and **which may be grounds for termination**, include but are not limited to, the following:

1. Falsifying employment or other CATS records.
2. Violating CATS' nondiscrimination and/or sexual harassment policy.
3. Soliciting or accepting gratuities from customers or clients.

4. Establishing a pattern of excessive absenteeism or tardiness.
5. Engaging in excessive, unnecessary, or unauthorized use of CATS' supplies, particularly for personal purposes.
6. Reporting to work intoxicated or under the influence of non-prescribed drugs.
7. Illegally manufacturing, possessing, using, selling, distributing, or transporting drugs.

8. Bringing or using alcoholic beverages on CATS property or being under the influence of or using alcoholic beverages while engaged in CATS business on or off CATS' premises, except where authorized.
9. Fighting or using obscene, abusive, or threatening language or gestures.
10. Theft in any form.
11. Having firearms or other weapons on CATS premises, on CATS vehicles, or while on CATS business.
12. Disregarding safety or security regulations.
13. Engaging in insubordination.
14. Failing to maintain confidentiality of CATS, customer, or client information.
15. Participating in gambling or gaming of any kind (legal or illegal) while on duty.
16. Engaging in inappropriate or lewd behavior while on duty.
17. Retaliation towards customers who file complaints will not be tolerated under any circumstances.

If your performance, work habits, overall attitude, conduct, or demeanor becomes unsatisfactory in the judgment of CATS, based on violations either of the above or any other CATS policies, rules, or regulations, you will be subject to disciplinary action, up to and including dismissal.

NON-FRATERNAZATION POLICY

Favoritism or extended courtesies create unwanted problems for an organization. For this reason, CATS desires to avoid situations where there is a romantic, personal, or marital relationship between a supervisor and a subordinate, or between co-workers in the same department.

Employees with, or who develop such relationships must immediately notify and disclose the potential conflict of interest to their immediate supervisor unless the supervisor is involved in said relationship. Although we have no

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absolute prohibition regarding such relationships, we reserve the right to take appropriate action, on a case by case basis, according to the circumstances. Any failure to disclose the nature of the relationship as described in this policy may result in disciplinary action up to and including termination.

EMPLOYEES ACTIVITIES DURING OFF-DUTY HOURS

At no time does CATS wish to interject itself into what an employee does during off-duty hours. Under certain circumstances, however, it is necessary that the company concern itself, and at times take appropriate action to protect proper CATS and employee interests. Specifically, CATS must concern itself when employees' conduct reflects unfavorably on themselves, other

employees, or the Company generally; or when employees' off-duty activities are such as to take substantial time, thought and effort, thereby rendering them less capable of performing efficiently and alertly in their jobs.

CATS officially discourages employees' off-duty activities when there is indication that Company interests are being jeopardized as set forth herein. In the event that employees' off-duty conduct is so serious as to reflect unfavorably on the Company and/or harm the reputation of the Company and/or results in the employees' inability to work with other employees or to do the job properly, employees will be terminated.

CATS INVESTIGATIONS

All employees are expected to cooperate with investigations that CATS makes into such areas as the misconduct of fellow employees, fraud, harassment, misappropriation or misuse of company funds or property and the like. Failure to cooperate with an investigation constitutes grounds for discipline up to and including dismissal.

LOYALTY TO THE COMPANY

CATS management strives to do everything it can to improve working conditions for employees and to make our Company the "employer of choice" in our community, but we need your cooperation and suggestions to accomplish this. In return, we all owe our complete loyalty to CATS. We should do all we can to maintain quality service to our customers, respect the rights of others, and, importantly, we should always speak well of the organization that hands us our pay check each pay day.

CONFIDENTIALITY OF INFORMATION

It is the policy of CATS to ensure that the operations, activities, and affairs of CATS and our clients are kept confidential to the greatest possible extent. If, during their employment, employees acquire confidential or proprietary information about CATS, such information is to be handled in strict confidence and not to be discussed with outsiders. Employees are also responsible for the internal security of such information.

Employees found to in violation of this policy are subject to disciplinary action, up to and including termination, and may also be subject to civil and/or criminal penalties for violations of, among other things, applicable securities laws.

DRUG-FREE WORKPLACE

It is the policy of CATS to create a drug-free workplace in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. The use of controlled substances is inconsistent with the behavior expected of employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines CATS' ability to operate effectively and efficiently.

Therefore, the unlawful manufacture, distribution, dispensation, possession, sale, or use of a controlled substance in the workplace or while engaged in CATS business, whether on CATS property, while on duty, or reporting for duty with CATS, is strictly prohibited. Such conduct is also prohibited during nonworking time to the extent that in the opinion of CATS, it violates CATS' Drug and Alcohol Policy, (described in a separate booklet), or impairs an employee's ability to perform on the job or threatens the reputation or integrity of CATS.

Employees convicted of controlled-substance-related violations in the workplace, including pleas of nolo contendere (i.e., no contest), must inform CATS in writing within five days of such conviction or plea. Employees who violate any aspect of this policy may be subject to disciplinary action up to and including termination. At its discretion, CATS may require employees who violate this policy to successfully complete a drug abuse assistance or rehabilitation program as a condition of continued employment.

SAFETY AND HEALTH

CATS is committed to providing a safe and healthful working environment. In

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this connection, CATS makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies, and programs conducive to such an environment.

CATS' policy is aimed at minimizing the exposure of our employees, customers, and others visitors to our facilities to health or safety risks. To accomplish this objective, all CATS employees are expected to work diligently

to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

The responsibility of all employees of CATS in this regard include:

1. Exercising maximum care and good judgment at all times to prevent accidents and injuries;
2. Reporting to supervisors and seeking first aid for all injuries, regardless of how minor;
3. Reporting unsafe conditions, equipment, or practices to supervisory personnel;
4. Using safety equipment provided by CATS at all times;
5. Observing conscientiously all safety rules and regulations at all times; and
6. Notifying their supervisors, before the beginning of the workday, of any medication they are taking, that may cause drowsiness or other side effects that could lead to injury to them and their coworkers.

EMERGENCY MEDICAL PROCEDURE

CATS endeavors to provide a safe and healthful working environment for all employees. However, CATS realizes that despite maintaining such an environment, sudden illnesses and injuries may occur. If you discover an injured or ill employee, do not move the employee; instead, contact 911, and either your supervisor, security (Baton Rouge Police at the terminal), or the Safety Manager immediately. If you are asked to call 911 for an ambulance, inform the 911 operator of the nature of the emergency and of the address and directions to the facility. After the ambulance arrives and the injured or ill employee is being treated, the supervisor, a security representative, or the Safety Manager will notify the employee's family and determine if it is necessary for a representative of CATS to accompany the employee in the ambulance.

SMOKING

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To maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking in CATS offices is strictly prohibited. Smoking is only permitted in designated areas outside of the Administration and terminal buildings. You should become familiar with the areas throughout CATS premises where smoking is either permitted or prohibited. These areas have been clearly marked.

Because CATS may be subject to criminal and civil penalties for violations of applicable smoking laws, we must insist on strict adherence to this policy. Employees smoking in any nonsmoking area may be subject to disciplinary action.

WORKPLACE VIOLENCE

CATS is concerned about the increased violence in society, which has also filtered into many workplaces throughout the United States. In this connection, it is the policy of CATS to expressly prohibit any acts or threats of violence by any CATS employee or former employee against any other employee in or about CATS' facilities or elsewhere at any time. CATS also will not condone any acts or threats of violence against CATS' employees, customers, or visitors on CATS' premises at any time or while they are engaged in business with or on behalf of CATS, on or off CATS' premises.

It is a violation of company rules for an employee to carry a weapon of any kind on his person or on his bus while on duty. An employee who carries a weapon in violation of this rule is subject to dismissal.

In keeping with the spirit and intent of this policy, and to ensure CATS' objectives in this regard are attained, CATS is committed to the following:

1. To provide a safe and healthful work environment, in accordance with CATS' safety and health policy.
2. To take prompt remedial action up to and including immediate termination, against any employee who engages in any threatening behavior or acts of violence or who uses any obscene, abusive, or threatening language or gestures.
3. To take appropriate action when dealing with customers, former employees, or visitors to CATS' facilities who engage in such behavior. Such action may include notifying the police or other law enforcement personnel and prosecuting violators of this policy to the maximum extent of the law.
4. To prohibit employees, former employees, customers, and visitors from bringing unauthorized firearms or other weapons onto CATS' premises.

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5. To establish viable security measures to ensure that CATS' facilities are safe and secure to the maximum extent possible and to properly handle access to company facilities by the public, off-duty employees, and former employees.

In furtherance of this policy, employees have a "duty to warn" their supervisors, security personnel, or department head of any suspicious

workplace activity or situations or incidents that they observe or that they are aware of and involve other employees, former employees, customers, or visitors that appear problematic. This includes, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. Employee reports made pursuant to this policy will be held in confidence to the maximum possible extent. CATS will not condone any form of retaliation against any employee for making a report under this policy.

E-MAIL, INTERNET, VOICE-MAIL, AND OTHER ELECTRONIC AND TELEPHONIC COMMUNICATIONS POLICY

All electronic and telephonic communications systems and all communications and information transmitted by, received from, or stored in these systems are the property of CATS and as such are to be used solely for job-related purposes. The use of any software and business equipment, including, but not limited to facsimiles, , computers, the Company's e-mail system, cellular phones, the Internet, and copy machines for private purposes is strictly prohibited.

Employees using this equipment for personal purposes do so at their own risk. Further, employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized CATS representative. All pass words should be provided to your supervisor in case of an emergency need for information that is saved on your system. Failure to provide password information could result in disciplinary action up to and including termination.

To ensure that the use of electronic and telephonic communications systems and business equipment is consistent with CATS' legitimate business interests, authorized representatives of CATS may monitor the use of such equipment from time to time. This may include monitoring Internet usage, e-mail and listening to stored voice-mail messages.

Internet and E-Mail

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* **Acceptable Uses.** The company provides Internet and e-mail access for business usage. Every staff member has the responsibility to maintain and enhance the company's public image and to use company e-mail and access to the Internet in a responsible and productive manner that reflects well on the company. The company recognizes that there will be occasional personal use on lunch breaks and during non-working hours (with the approval of management), but this shall not be excessive or unreasonable. There should be no expectation of privacy and all information stored on CATS equipment is subject to review.

* **Unacceptable uses.** The company e-mail and Internet access may not be used for transmitting, retrieving, or storage of any communications of a discriminatory or harassing nature or materials that are obscene or "X-rated". Harassment of any kind is prohibited. No messages with derogatory or inflammatory remarks about an individual's race, age, disability, religion, national origin, physical attributes or sexual preference shall be transmitted. No excessively abusive, profane or offensive language is to be transmitted through the company's e-mail or Internet system. Electronic media may also not be used for any other purpose that is illegal or against company policy or contrary to the company's best interests.

Solicitation of non-company business, or any use of the company e-mail or Internet for personal gain, is prohibited.

* **Communications.** Each employee is responsible for the content of all text, audio or images that they place or send over the company's e-mail and Internet system. Messages or information sent by an employee to another individual outside of the company via an electronic network (e.g., bulletin board, online service or Internet) are statements that reflect on the company. While some users include personal "disclaimers" in electronic messages, there is still a connection to the company, and the statements may legally be tied to the company.

Therefore, we require that all communications sent by employees via the company's e-mail and Internet system comply with all company policies and not disclose any confidential or proprietary company information. Further, because the Internet user implicitly involves the Company in his/her expression. Therefore, users should not participate in Web or E-mail based surveys or interviews without authorization

No e-mail or other electronic communications may be sent that hides the identity of the sender or represents the sender as someone else or someone from another company. All messages communicated on the company's e-mail and Internet system should contain the employee's name.

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* **Software/Downloading.** The Company allows the download of files from the Internet. However, downloading files should be limited to those which relate directly to Company business. The Company does not permit the download or installation on Company computers of application software from the Internet. Such software may not only contain embedded viruses, but also is untested and may interfere with the functioning of standard Company applications.

Some Internet sites require that users subscribe before being able to use them. Users should not subscribe to such services without the express approval of management. Please contact a member of IT for assistance.

* **Copyright Issues.** Many of the materials on the Internet are protected by copyright. Even though they may seem to be freely accessible, many of the intellectual property laws which apply to print media still apply to software and

material published on the Internet. Employees are permitted to print out Web pages and to download material from the Internet for informational purposes as long as the purpose for such copying falls into the category of "fair use". Do not copy or disseminate material which is copyrighted. Please note that failure to adhere to this policy puts the company in serious legal jeopardy and opens the company up to significant lawsuits and public embarrassment.

All employees obtaining access to other companies' or individuals' materials must respect all copyrights and may not copy, retrieve, modify or forward copyrighted materials, except with permission. Failure to observe copyright or license agreements may result in disciplinary action up to and including termination. Employees having any questions regarding such materials should contact the legal advisors for guidance.

* **Security.** Employees should not assume electronic communications are totally private and should transmit highly confidential data in other ways. E-mail messages regarding sensitive matters should warn that such communications are not intended to be secure or confidential. This is just good business sense.

* **Violations.** Any employee who abuses the privilege of company facilitated access to e-mail or the Internet will be subject to corrective action up to and including termination. If necessary, the company also reserves the right to advise appropriate legal officials of any illegal violations.

WORKPLACE SEARCHES

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To safeguard the property of our employees, our customers, and CATS, and to help prevent the possession, sale, and use of illegal drugs on CATS' premises, in keeping with the spirit and intent of CATS' drug-free workplace policy, CATS reserves the right to question employees and all other persons entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes, or any other possessions or

articles carried to and from CATS' property. In addition, CATS reserves the right to search any employee's office, desk, files, locker, vehicle, or any other area or article on our premises. In this connection, it should be noted that all offices, desks, files, lockers, vehicles, and so forth, are the property of CATS, and are issued for the use of employees only during their employment with CATS. Inspections may be conducted at any time at the discretion of CATS.

In conjunction with the implementation of this policy, CATS has posted notices in conspicuous places throughout our facilities informing all employees, prospective employees, customers, visitors, and all other persons of CATS' policy and right to question individuals and conduct inspections.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy will not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection as well as employees who after the inspection are believed to be in possession of stolen property or illegal drugs, will be sent immediately to the Chief Operations Officer and will be subject to disciplinary action up to and including discharge if on investigation they are found to be in violation of CATS' security procedures or any other CATS rules and regulations.

TERMINATION OF EMPLOYMENT

Employees desiring to terminate their employment relationship with CATS are urged to notify CATS at least two weeks in advance of their intended termination. Such notice should preferably be given in writing to your supervisor or department head. Proper notice generally allows CATS sufficient time to calculate all leave time and monies to which you may be entitled and to include such monies in your final paycheck.

Employees who plan to retire are urged to provide CATS with a minimum of two months' notice. This will allow ample time for the processing of appropriate pension forms to ensure that any retirement benefits to which an employee may be entitled begin in a timely manner.

As mentioned elsewhere in this handbook, all employment relationships with

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CATS, except those covered by the collective bargaining agreement are on an at-will basis. Thus, although CATS hopes that our relationships with employees are long term and mutually rewarding, CATS reserves the right to terminate the employment relationship at any time.

Exit interviews with your supervisor and/or human resources may be

scheduled for outgoing employees after a supervisor receives notice of resignation or intent to retire and for employees whose termination is initiated by CATS. The purposes of these interviews are to review eligibility for benefit continuation and conversion, to ensure that all necessary forms are completed, to collect all CATS property that may be in the employee's possession (e.g., CATS swipe cards and keys), and to provide employees with an opportunity to discuss their job-related experiences.

MISCELLANEOUS

MEDIA INQUIRIES

From time to time, as an employee of CATS, you may receive inquiries from the media (e.g., newspapers, television stations, radio stations, magazines, or other periodicals). To ensure that CATS maintains the appropriate public image and that communications to the media are accurate and in line with applicable company policy, if you are contacted by the media, you should refer the individual making the inquiry to CATS' CEO or his designee. No other employees are authorized to give statements to any representative of the media. Knowingly providing media statements may result in disciplinary action up to and including termination.

VOTING TIME

CATS encourages all employees to fulfill their civic responsibilities and to vote in all official public elections. Generally, your working hours are such that you will have ample time to cast your vote before or after working hours. However, if you find yourself with insufficient time to vote due to overtime work, etc., please discuss the matter with your supervisor.

PERSONAL TELEPHONE CALLS

Open lines of communication are critical to the success of CATS' business. As such, our telephones should generally be used for authorized company business only. Of course, we recognize that family situations may occur from time to time; in such instances, use of the telephones for personal matters is

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permitted but should not be abused.

We urge you to ask your family members and friends to limit calls at work unless it is a necessity. Your cooperation in this regard is appreciated.

GARNISHMENTS AND SUPPORT ORDERS

CATS' policy is to comply with all valid claims against the wages of employees. If a wage garnishment, child support order, or some other legally valid claim is received by CATS against your wages, you will be notified about the amount and details of the garnishment or wage order. While you may attempt to work out your financial difficulties with your creditor in such situations, CATS will be required to comply with the provisions of the garnishment notice or order, as soon as practicable after it is received, to ensure its compliance with applicable law.

MOONLIGHTING

Although CATS expects you to devote your primary efforts towards your duties and responsibilities with us, you may engage in outside employment if it:

1. Does not conflict with your responsibilities at CATS, including your ability to work overtime as required in your position;
2. Does not interfere with your performance at CATS;
3. Does not prove detrimental to the interests of CATS;
4. Does not involve a conflict of interest or the appearance of a conflict of interest (such as working for a competitor, vendor, or customer); and
5. Does not involve the use of confidential or proprietary information of CATS or its customers.

Any employee whose outside employment violates the above criteria will be counseled by his or her supervisor, and may be terminated.

Any issues regarding any outside employment you may be contemplating should be resolved prior to your accepting such employment.

PARKING FACILITIES

Parking for all employees of CATS is provided free of charge. There are a limited number of reserved parking spaces allotted by the Company, which are assigned to specific administration employees. There is also a handicapped parking area, reserved for individuals who are disabled. Anyone who is

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disabled and would like to request a reserved spot in this parking area must request an accommodation for such a spot from the Compliance Officer.

All other spots are available for the general use of employees, subject to the "first-come first-served" rule. Shop employees are usually requested to park inside the fence. Employees are prohibited from parking in the handicapped zones, unless they have the appropriate designation. Parking in the

designated handicapped spots without appropriate designation will result in being ticketed by the Baton Rouge Police Department. Please keep in mind that the facility is unattended and parking is at your own risk. Please do not keep valuables in sight and keep your vehicle locked at all times.

Human Resources will supply you with all forms that require acknowledgement of receipt of all paperwork.

CATS EMPLOYMENT MANUAL
ACKNOWLEDGMENT OF RECEIPT AND UNDERSTANDING

I acknowledge receipt of CATS' Employment Manual. I understand that reading this manual is a condition of my employment and that I will read this manual no later than seven (7) days following my receipt of it from CATS. I understand that I am responsible for familiarizing myself with its contents, and adhering to all of the policies and procedures of CATS, whether set forth in this handbook or elsewhere. I understand that the information in CATS' manual represents guidelines only and that the Company reserves the right to modify this handbook or amend or terminate any policies or procedures, whether or not described in this manual, at any time.

I understand that this manual is not a contract of employment, express or implied, between CATS and me and that I should not view it as such, or as a guarantee of employment for any specific duration.

I further understand that no manager or representative of CATS, other than the CEO, has any authority to enter into any agreement guaranteeing employment for any specific period of time. I also understand that any such agreement, if made, shall not be enforceable unless it is in a formal written agreement signed by both the CEO and by me.

(Print Name of Employee)	Employee's Signature	Date
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(HR Rep)	Signature of HR REP	Date
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