

## **DRUG FREE WORKPLACE POLICY**

### **GRAHAM DEALERSHIPS COMPANY, INC.**

#### **Statement of Policy**

Alcohol and drug abuse ranks as one of the major health problems in the United States. Our employees are our most valuable resource and Graham Dealerships Company, Inc. (Graham) is dedicated to the protection of its employees. The purpose of implementing this policy is to provide a drug-free and alcohol-free workplace in order to ensure a safe, healthy and productive work environment for all employees and to meet our obligations to our customers and the public.

The goal of this policy is to balance our respect for individuals with the need to maintain a drug-free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that illegal drug use and alcohol abuse are incompatible with employment at Graham.

Management is fully committed to this Drug-Free Workplace Policy which establishes clear guidelines for acceptable and unacceptable employee behavior for everyone in the workplace. Graham will not tolerate substance use in violation of this policy.

This policy describes Graham's Drug-Free Workplace program. All employees are expected to read and understand it. The policy applies to all employees, including management and also applies to any contractors or subcontractors Graham may use. The consequences outlined in this policy apply to anyone who violates this policy.

Everyone is responsible for supporting this policy. Each employee has a responsibility to co-workers and to the public to deliver services in a safe and conscientious manner. It shall be the responsibility of each employee who observes or has knowledge of another employee in a condition which impairs the employee's ability to perform their job duties, or who presents a hazard to the safety and welfare of others, or is otherwise in violation of this policy, to promptly report that fact to their immediate supervisor.

All employees are prohibited from manufacturing, cultivating, distributing, dispensing, possessing or using illegal drugs or other unauthorized or mind altering intoxicating substances, including alcohol, while on company property or while otherwise performing company duties away from the worksite. Included in this prohibition are lawful controlled substances which have been illegally or improperly obtained or misused.

The proper use of medication prescribed by a physician is not prohibited; however, the company does prohibit the misuse of prescribed medication. Employees are responsible for notifying a supervisor if the prescribed medication will affect this employee's ability to perform any function of his/her job.

Graham recognizes that drug and alcohol abuse can be successfully treated and is committed to helping employees who suffer from these problems, while holding them responsible for their own recovery. Everyone shares the responsibility for maintaining a safe work environment and

co-workers should encourage anyone who uses alcohol or other drugs in the workplace to seek help.

The employee's decision to seek prior assistance will not be used as the basis for disciplinary action and the company strongly encourages employees who suspect they may have a problem to seek assistance. However, seeking assistance in follow-up to a positive drug test will not prevent disciplinary action when facts show a violation of this policy.

Consequences that apply to all employees who violate this policy are spelled out within this document. Violations of this policy are subject to disciplinary action, up to and including termination of employment.

This program will go into effect within 30 days of the announcement of our Drug-Free Workplace program and this policy that describes our program. Our policy covers five key parts:

- A written policy that clearly spells out the program rules and how everyone benefits;
- Annual substance awareness education for all employees;
- Training for supervisors regarding their responsibilities;
- Drug and alcohol testing;
- Employee assistance.

Employees will receive information about how substance use is a problem affecting the workplace. Everyone will learn the signs and symptoms, dangers of use, and how and where to get help for yourself and your family. Sarah Ferry will be our Drug-Free Coordinator. She will be responsible for arranging drug and alcohol testing and will have a list of resources that employees and their families can turn to for help. She will also arrange for knowledgeable, credentialed instructors to educate all employees and supervisors about substance use.

### **Protections for Employees**

This program is designed to protect employees from the behaviors of substance users. Some of the protections built into this program are:

- Employee records such as testing results and referrals for assistance will be kept confidential. Information will be on a need-to-know basis. Any violation of confidentiality rights is subject to disciplinary action up to and including termination of employment.
- Graham is committed to helping employees who have a substance-related issue. Each situation will be reviewed individually. Employee assistance is available for employees and their families. A list of resources is available through our Drug-Free Coordinator. We want you to come forward if you have a substance problem and want help. Positive drug test results at a later date will result in disciplinary action up to and including termination.
- All supervisors will be trained in their duties related to the testing process.
- All employees will receive awareness education annually to help identify problems and learn where to go for assistance.
- Collection of urine specimens and breath testing will be done at a local clinic. Urine drug test specimens will be analyzed by a laboratory certified by the federal government. These labs use the highest level of care in ensuring results are precise and the process used is 100% accurate in detecting the substances Graham is concerned could be

impairing employees. The lab will work closely with the local clinic to ensure fairness and accuracy of every test. There will also be a Medical Review Officer (MRO), a trained physician responsible for checking whether there is a valid reason for the presence of the substance in the employee's system. The MRO is an expert in drugs and alcohol. When the MRO receives a positive test result, he/she will contact the employee and any appropriate health care provider to determine whether there is a valid reason for the presence of the drug in the person's system.

- The testing program consists of an initial screening test. If the initial results are positive, a second test is used. Cut-off levels for each drug and for alcohol are established for what will be considered a positive test. These levels show that the employee didn't just have a small amount of the substance in his/her system, but enough to affect workplace safety and the ability to perform the job. These cut-off levels are taken from federal guidelines and are fair for all employees.

### **Employee Awareness Education**

Every employee will attend a session in which this policy is discussed and be given the opportunity to ask questions. Everyone will receive a copy of our written policy and will be expected to sign a form acknowledging receipt. Later, a qualified, credentialed instructor will explain how and why substance use is a workplace problem, the effects, signs/symptoms of use, effects of commonly used drugs in the workplace and how to get help. There will be a minimum of two (2) hours of substance abuse education annually for all employees. New employees will be notified of the program during orientation and will receive substance education as soon as possible thereafter.

### **Supervisor Training**

Supervisors will be trained to recognize substance problems that may endanger the employee and others, as well as violate this policy. This training is in addition to the employee education session. Supervisors will be trained in the areas of testing responsibilities, how to recognize behaviors that demonstrate a drug/alcohol problem and how to make referrals for assistance. Supervisors will continue to undergo annual refresher training.

### **Drug and Alcohol Testing**

Testing will be used to detect problems, urge employees not to use substances and allow the company to take appropriate action to correct the situation. In addition to alcohol, Graham reserves the right to test for illegal drugs and other unauthorized or mind altering or intoxicating substances.

### **Employee Assistance**

Graham believes in offering assistance to employees with substance problems and is supportive of employees taking action on their own behalf to address the problem. A list of local community resources is available. This list includes places to go for an assessment and treatment. The employee is responsible for any cost associated with assessment and treatment. Please refer to your current health insurance coverage for possible assistance.

## WHEN WILL A TEST OCCUR?

Employees will be tested for the presence of drugs in the urine and/or alcohol on the breath under any/or all of the conditions outlined below:

**Post-Offer, Pre-Employment Drug Testing** – As part of Graham's employment procedures, all applicants will be required to undergo a post-offer, pre-employment drug screen conducted by Graham's contracted lab. Any applicant with a confirmed positive test will be denied employment. Graham will not discriminate against applicants for employment because of a past history of drug abuse, but candidates for employment must present themselves drug-free.

**Reasonable Suspicion Testing** – will occur when management has reason to suspect an employee may be in violation of this policy. The suspicion will be documented in writing prior to the release of the test findings. A reasonable suspicion test may occur based upon:

- Observed behavior, such as direct observation of drug/alcohol use or possession and/or physical symptoms of drug and/or alcohol use;
- A pattern of abnormal conduct or erratic behavior;
- Arrest or conviction for a drug-related offense, or identification of an employee as the focus of a criminal investigation into illegal drug possession, use or trafficking. The employee is responsible for notifying Graham within five (5) working days of any drug-related conviction;
- Information provided either by reliable and credible sources or independently corroborated regarding an employee's substance use (false accusations will result in disciplinary action up to and including termination); or
- Newly discovered evidence that the employee has tampered with a previous drug or alcohol test.

Although reasonable suspicion testing does not require certainty, mere "hunches" are not sufficient to justify testing. To prevent this, all managers/supervisors will be trained to recognize drug and alcohol related signs and symptoms. Testing may be for drugs or alcohol or both.

**Post-Accident Testing** – will be conducted whenever an accident occurs, regardless of whether there is an injury. Graham considers an accident and unplanned, unexpected or unintended event that occurs on company property, during the conduct of our business, or during working hours, or which involves one of the company's motor vehicles that are used in conducting company business, or is within the scope of employment, and which results in any of the following:

1. A fatality of anyone involved in the accident;
2. Bodily injury to the employee and/or another person that requires off site medical attention away from the company;
3. Damage to company or customer vehicles;
4. Non-vehicular property damage.

When such an accident results in one of the situations above, any employee who may have contributed to the accident will be tested for drugs or alcohol use or both.

**Drug and/or Alcohol Testing Following an Accident** – A urine specimen collection (for drugs) or breath/saliva (for alcohol) is to occur as quickly as possible after the need for a test has been determined. If the employee responsible for an employment-related incident is injured, it is a condition of employment that the employee grants the company the right to request the attending medical personnel to obtain appropriate specimens (breath, urine and/or blood) for the purpose of conducting alcohol and/or drug testing. Furthermore, all employees grant the company access to any and all other medication information that may be relevant in conducting a complete and thorough investigation of the work-related accident including a full medical report from the examining physician(s) or other health care providers. A signed consent to testing form is considered a condition of employment. Management reserves the right to determine who may have caused or contributed to a work-related accident and may choose not to test after minor accidents if there is no violation of a safety or work rule, minor damage and/or injuries and no reasonable suspicion.

**Follow-Up Testing After Return-to-Duty from Assessment or Treatment** – this test occurs when an employee has previously tested positive and the decision is made not to terminate the employee under the "last chance" agreement. This last chance agreement acknowledges the employee has tested positive twice before and has been given one final opportunity for rehabilitation. A negative return-to-duty test is required before the employee will be allowed to return to work. If a negative test result cannot be obtained after 60 days away from work, employment with Graham will be terminated. Any time spent away from work following a positive test and pending a negative follow-up test will be without pay.

If an employee fails a follow-up test, one additional opportunity will be given to complete a rehabilitation program. Once an employee passes the drug and/or alcohol test and returns to work, management may choose to conduct additional unannounced tests for as long as is deemed necessary. Any employee with a second positive test result will be referred for additional rehabilitation and suspended without pay until a negative result is obtained. If a negative test result cannot be obtained after 60 days away from work from the date of the initial positive test, employment with Graham will be terminated.

Follow-up tests will be unannounced and may occur at any time for a time period that management considers reasonable. A minimum of four (4) tests will be performed in the first year following return to work.

A third positive test will result in automatic termination of employment.

**Random Drug Testing** – will include all employees and contract workers and is conducted on an unannounced basis. A testing organization outside of the company will use computer software that ensures a truly random selection process. All employees in the testing pool have an equal statistical likelihood of being selected for testing. When the next random draw is conducted, all employees are again included in the pool with an equal chance of selection, regardless of whether an employee was previously selected. The random pool will consist of 25% of the average total annual workforce.

Random testing is designed to deter drug use in violation of the policy and ensure that we maintain confidence in our employees' abilities to perform their duties. Graham has contracted with an outside vendor to perform the periodic selection of employees for inclusion in the random testing pools. The contractor selects employees at random for drug testing at any time during each calendar year. Graham will provide employee identification numbers to be used in the random selection drawings. The contractor will, in turn, furnish the company with a list of

Individuals to be tested at the beginning of each selection period. It shall be the responsibility of Graham to notify each employee who has been selected with the date, time and location that random testing will be performed. When notified, it shall be the responsibility of the individual employee to provide a urine specimen for drug testing. An employee's failure to comply with the request for a specimen for random testing will result in termination of employment.

### **SUBSTANCES TO BE TESTED FOR AND METHODS OF TESTING**

The procedure Graham relies upon is called system presence testing. This is how qualified testing professionals identify the presence of one or more prohibited controlled substances or alcohol that may be present in the employee's system. An initial screening test is conducted. If it is negative, then a negative test is declared. If the initial test is positive (comes in at or higher than the cut-off level), a second test called a "confirmatory" test is completed. This is a different test and is considered 100% accurate by experts in court. Cut-off levels are standards that have been established for each of the tested drugs after years of research. These levels will be used to interpret all drug screens/tests, whether for a pre-employment screening, reasonable suspicion test, post-accident or follow-up test.

Breath alcohol testing will be conducted by a medical clinic that uses only certified equipment and personnel. Breath alcohol concentrations exceeding .04 will be considered a verified positive result. In the event of an accident where an employee has "whole blood" alcohol drawn at a medical treatment facility, a result equal to or greater than .04 shall be considered to be a verified positive result. An Evidentiary Breath Test (EBT) will typically be used to confirm any initial positive test result.

Graham reserves the right to add or delete substances from the list of drugs/alcohol to be tested, especially if mandated by changes in existing Federal, State or local regulations or laws.

Any employee who adulterates, attempts to adulterate or substitutes a specimen or otherwise manipulates the testing process will be terminated. A refusal to produce/provide a specimen is considered a positive test unless there is a verifiable medical reason the specimen could not be produced.

### **SPECIMEN COLLECTION PROCEDURE**

Urine specimens and breath testing will be conducted by trained collection personnel who meet standards for urine collection and breath alcohol testing. Confidentiality is required from our collection sites and labs. Employees are permitted to provide urine specimens in private, but subject to strict scrutiny by collection personnel so as to avoid any alteration or substitution of the specimen. Breath alcohol testing will likewise be done in an area that affords the individual privacy. In all cases, there will only be one individual tested at a time. Failure to appear for testing when scheduled shall be considered refusal to participate in testing and will subject an employee to the range of disciplinary actions, including dismissal, and an applicant to the cancellation of an offer of employment. An observed voiding will only occur if there is grounds for suspecting manipulation of the testing process.

Transportation to the testing facility for post-accident and reasonable suspicion tests will be provided by a Graham Drug-Free Committee member. Under no circumstances are any employees permitted to drive themselves to a testing facility.

### **REVIEW OF TEST RESULTS**

To ensure that every employee who is tested is treated fairly, Graham has hired a Medical Review Officer (MRO). The MRO is a doctor with a specialized knowledge of substance abuse disorders and will be able to determine whether there are any valid reasons for the presence of the substance that tested positive in the employee's system.

### **EMPLOYEES' RIGHTS WHEN THERE IS A POSITIVE TEST RESULT**

An employee who tests positive under this policy will be given an opportunity to explain the findings to the MRO prior to the issuance of a positive test result to the company. Upon receipt of a confirmed positive finding, the MRO will attempt to contact the employee by telephone. If contact is made by the MRO, the employee will be informed of the positive finding and given an opportunity to rebut or explain the findings. The MRO can request information on recent medical history and on medications taken within the last thirty days by the employee.

If the MRO finds support in the explanation offered by the employee, the employee may be asked to provide documentary evidence to support the employee's position (for example, the names of treating physicians, pharmacies where prescriptions have been filled, etc.). A failure on the part of the employee to provide such documentary evidence will result in the issuance of a positive report by the MRO with no attendant medical explanation. A medical disqualification of the employee will result. If the employee fails to contact the MRO as instructed, the MRO will issue a positive result to the company.

Any positive test findings will result in a meeting with the Drug-Free Coordinator, at which time a list of local community resources will be provided.

### **REPORTING OF RESULTS**

All test results will be reported to the MRO prior to the results being issued to the company. The MRO will receive a detailed report of the findings of the analysis from the testing laboratory. Each substance tested for will be listed along with the results of the testing. The company will receive a summary report, and this report will indicate that the employee passed or failed the test. All of these procedures are intended to be consistent with the most current guidelines for Medical Review Officers, published by the Federal Department of Health and Human Services.

### **STORAGE OF TEST RESULTS AND RIGHT TO REVIEW TEST RESULTS**

All records of drug/alcohol testing will be stored separately and apart from the employee's general personnel documents. These records shall be maintained under lock and key at all times. Access is limited to designated company officials. The information contained in these files shall be utilized only to properly administer this policy and to provide to certifying agencies for review as required by law. Designated company officials that shall have access to these

records are charged with the responsibility of maintaining the confidentiality of these records. Any breach of confidentiality with regard to these records may be an offense resulting in termination of employment. Any employees tested under this policy have the right to review and/or receive a copy of their own test results. An employee may request from the Drug-Free Coordinator, in writing, presenting a duly notarized Employee Request for Release of Drug Tests Results form, requesting that a copy of the test be provided. The company will use its best efforts to promptly comply with this request and will issue to the employee a copy of the results personally or by U.S. Certified Mail, Return Receipt Requested.

### **POSITIVE TEST RESULTS / DISCIPLINARY ACTION**

An employee who tests positive for drug or alcohol use is in violation of company policy. For a first offense, the employee will be issued a written disciplinary warning, suspended without pay until a negative test result can be obtained, placed on probationary status for a period of 90-days, and required to seek an assessment and/or necessary treatment. The employee must provide written verification of assessment within five (5) days after receiving positive results. If the employee chooses to have a specimen re-tested, then verification must be received within five (5) days after results of the second test, if the results are positive. Any cost associated with the re-testing of a specimen is the responsibility of the employee, unless the re-tested result is negative. If a negative test result cannot be obtained after 60 days away from work from the date of the initial positive test, employment with Graham will be terminated.

In the event of a second positive test result, the employee will be issued a final written disciplinary warning, suspended without pay until a negative test result can be obtained, placed on probationary status for an additional 90-day period and required to seek treatment through a formal rehabilitation program. Again, the employee must provide written verification of enrollment in a formal program within five (5) days after receiving positive results. If the employee chooses to have a specimen re-tested, then verification must be received within five (5) days after results of the second test, if the results are positive. Any cost associated with the re-testing of a specimen is the responsibility of the employee, unless the re-tested result is negative. If a negative test result cannot be obtained after 60 days away from work from the date of the initial positive test, employment with Graham will be terminated.

An employee who provides written verification of assessment and/or treatment will be placed on probationary status. During this probationary period, the employee must submit to follow-up drug and/or alcohol testing, without prior notice. Such testing must be conducted at least twice during each 90-day probationary period. An employee will remain suspended without pay and not be permitted to return to the workplace unless a negative test result is achieved. If a negative result cannot be obtained within 60 days from the date of the initial positive test, employment with Graham will be terminated.

Follow-up tests will be unannounced and may occur at any time for a period that management considers reasonable. A minimum of four (4) tests will be performed in the first year following return to work.

Employees who refuse to participate in, or who do not satisfactorily complete an assessment, or who after two positive tests and attempts at rehabilitation, subsequently violate this policy, will be terminated from the company.



---

An employee who uses anything that is meant to alter and/or change the chemistry of a urine or breath sample will be automatically terminated.

Any costs associated with assessments, treatment, rehabilitation, etc. are the financial responsibility of the employee. Please refer to your health insurance plan to determine if substance abuse treatment coverage exists.

#### **TERMINATION NOTICES**

In those cases where substance testing results in the termination of employment, all termination notices will list "misconduct" as the reason. Termination shall be deemed "for cause".