

8720 Georgia Avenue, Suite 501
Silver Spring, Maryland 20910
301-650-0047
301-650-5945 (fax)
1-888-937-9690 (toll free)

Destiny
Management Services, LLC



EMPLOYEE MANUAL

2010

Destiny

Management Services, LLC

FOREWORD

Destiny Management Services, LLC (DMS) is dedicated to providing an extremely high level of service to our clients. Our clients have entrusted us with their business and we value their decision. As a member of the DMS team you will have the opportunity to grow and increase your professional development. We will challenge you, encourage you, support you and require your best. In exchange you will be fairly compensated justly rewarded and treated like a member of the family. Welcome to Destiny.

Please read and gain a working knowledge of the responsibilities, privileges, and benefits that are explained in detail in this Employee Handbook. The policies stated in this handbook are subject to change at the sole discretion of DMS. From time to time, you may receive updated information concerning changes and policies. I trust you will find it useful as an introduction

to the company, and that you will keep it readily available for future reference. This Handbook is not intended to substitute for Personnel Regulations, Laws or Contractual Agreements. Should you have any questions regarding any policies, please ask your supervisor or human resources for assistance.

Respectfully,

DESTINY MANAGEMENT SERVICES, LLC



Donna M. Mitchell
President

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CHAPTER 1 - INTRODUCTION AND PHILOSOPHY OF THE FIRM

OUR BACKGROUND

Destiny Management Services, LLC (DMS) is leading provider of financial, accounting administrative, contracts management, grants management and other management consulting services. DMS was founded in October 1996. DMS business areas of expertise encompass the following:

- ◆ Financial Management Services
- ◆ Accounting Services
- ◆ Grants Management Services
- ◆ Contracts Management Services
- ◆ Auditing Services
- ◆ Financial Asset Services
- ◆ Church Administration Services
- ◆ Technical Assistance and Training Services
- ◆ Research and Evaluation Services
- ◆ Managed Care Consulting Services
- ◆ Real Estate/Property Management Services
- ◆ Conference Management Services

CORPORATE MISSION

To provide cost effective and creative business solutions to our customers. We approach every engagement with integrity, accountably and reliability – The cornerstones of our corporate philosophy.

VALUE STATEMENT

DMS is committed to providing exceptional, expert services to our clients. We conceive better solutions and we deliver on our commitments. We uphold the highest standards of professionalism and demonstrate extraordinary dedication to our clients.

CHAPTER 2 - EMPLOYMENT POLICIES

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of DMS that all persons shall have equal opportunity for employment consideration without regard to race, color, religion, sex, age, national origin, handicap, marital status, personal appearance, sexual orientation, family responsibilities, matriculation, status as a Vietnam-Era or special disabled veteran, or political affiliations. DMS also expressly prohibits any form of unlawful employee harassment based on the aforementioned characteristics. This policy applies to all terms and conditions of employment including, but not limited to, recruitment, hiring, promotion, compensation, benefits, training, and termination. Every employee should have the opportunity to achieve his or her potential based on individual ability, experience, and training, and should be able to work in an environment free of discrimination and harassment.

To further the principle of equal employment opportunity, DMS has developed affirmative action plans for minorities and women, the handicapped, and Vietnam-Era and special disabled veterans. More information on DMS's EEO Policy/Affirmative Action Plan can be found in Appendix A, at the end of this Handbook.

SEXUAL HARASSMENT POLICY

With respect to sexual harassment DMS prohibits:

- Unwelcome sexual advances; requests for sexual favors; and all other verbal or physical conduct of a sexual or otherwise offensive nature, especially where:
 - Submission to such conduct is made either explicitly or implicitly a term or condition of employment
 - Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment or
 - Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.

- Offensive comments, jokes, innuendos, and other sexually oriented comments.

Each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Furthermore, employees are responsible for respecting the rights of their co-workers.

If you experience any job-related harassment based on your sex, your race, or another factor, or believe you have been treated in an unlawful, discriminatory manner, promptly report the incident to Human Resources, who will investigate the matter and take appropriate action, including reporting it to the President. Your complaint will be kept confidential to the maximum extent possible.

If DMS determines that an employee is guilty of harassing another employee, appropriate disciplinary action, including the possibility of termination, will be taken against the offending employee.

DMS prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation. However, if after investigating any complaint of harassment or unlawful discrimination, DMS determines that the complaint is not bona fide or that an employee has provided false information regarding the complaint, disciplinary action may be taken against the individual who filed the complaint or who gave the false information.

SMOKING POLICY

DMS is very interested in promoting the health and well-being of its employees. Therefore, DMS seeks to provide a clean and comfortable a working environment as is possible and practical. Therefore there will be no smoking in the office. DMS recognizes that rest periods of short durations are common in industry, promoting efficiency and paid for as time worked. However, there is no law, rule or policy that requires a company to permit specific "smoking breaks" (that would be unfair to non-smokers). The customary allowance for breaks is two 15-minute breaks and one-half hour meal break per eight hours worked.

DRUG-FREE WORKPLACE

It is the policy of DMS 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 the Company's ability to operate effectively and efficiently. In this connection, the unlawful manufacture, distribution, dispensation, possession, sale, or use of a controlled substance in the workplace or while engaged in company business off DMS's premises is strictly prohibited. Such conduct is also prohibited during nonworking time to the extent that in the opinion of DMS, it impairs an employee's ability to perform on the job or threatens the reputation or integrity of the Company.

To educate employees on the dangers of drug abuse, DMS has established a drug-free awareness program. Periodically, employees will be required to attend training sessions at which the danger of drug abuse, DMS's policy regarding drug abuse, and the availability of counseling will be discussed. Employees convicted of controlled substance-related violations in the workplace (including pleas of non contend ere, i.e., no contest) must inform the company 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, the company may require employees who violate this policy to successfully complete a drug abuse assistance or rehabilitation program as a condition of continued employment.

OUTSIDE EMPLOYMENT

No member of the DMS staff shall engage in outside employment, except when:

- No conflict of interest will exist
- Is not expressly identified in the contract; and

- The outside employment does not interfere with the employee's work assignments at DMS.

WORKING HOURS

The workday is from 8:30 a.m. to 5:00 p.m. Monday through Friday, with one/half hour provided for lunch. **Employees are expected to be on time.** In addition, the demands of the consulting business often make it necessary to work beyond the scheduled hours; employees should maintain reasonable flexibility in accommodating peak workload requirements. Overtime, when required, is paid in accordance with your Employment Status. This does not supersede the contract requirements.

SECRECY AGREEMENT AND NON COMPETE AGREEMENT

As an employee of DMS it is your responsibility to protect the interests of the corporation. Any proprietary information which you have access to, such as any financial data, organizational structure, project structure, project working papers, marketing strategies, and the like, are not to be disclosed to persons outside of the firm without the expressed permission from the President. Furthermore, such proprietary information need only be shared with internal staff members on a need-to-know basis.

In addition, senior technical and managerial staff have "Non-Compete" responsibilities. Default of non-compete responsibilities would consist of sharing vital marketing opportunities, staff capabilities, or other such knowledge or opportunities with other firms, resulting in the loss of business or potential marketing opportunities by DMS.

You will be asked to sign contractual agreements representing these issues.

CONFIDENTIALITY

Protection of DMS and Employee Confidential Information.

Employee agrees that DMS's proprietary methodologies, templates, tool kits, software and tools; all of DMS's ideas, methods, concepts, know-how, structures, techniques, inventions, developments, processes, discoveries, improvements and proprietary data and programs; and other information identified as proprietary or confidential by DMS, which may be disclosed to Employee in the performance of any Agreement, are confidential and proprietary information of DMS ("DMS Confidential Information"). DMS agrees that Employee's proprietary methodologies, templates, tool kits, software and tools; all of Employee's pre-existing ideas, methods, concepts, know-how, structures, techniques, inventions, developments, processes, discoveries, improvements and proprietary data and programs, and other information identified as proprietary or confidential by Employee, which may be disclosed to DMS in the performance any Agreement, are confidential and proprietary information of Employee ("Employee Confidential Information"). Employee Confidential Information and DMS Confidential Information are collectively referred to as "Confidential Information." Any license agreement between the parties as to a specific software product will take priority over any Agreement and will govern, *inter alia*, Employee's and DMS's confidentiality obligations regarding such product.

EMPLOYMENT AT WILL

Under the Maryland law, unless there is an agreement that specifies otherwise, employment is “at will” meaning either the employer or employee may end, without notice or reason, the employment relationship. Unless specified under a separate written contractual agreement (i.e., employment offer letter), employment with Destiny Management Services, LLC, (DMS) is for no definite period and may be terminated at will by either the employer or the employee.

Please understand that no supervisor, manager or representative of DMS, other than the President, 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.

ABSENTEEISM AND TARDINESS

Destiny Management Services, LLC, (DMS) expects all employees to assume diligent responsibility for their attendance and promptness. Recognizing, however, that illnesses and injuries may occur, DMS has established sick leave, salary continuation, and long-term disability benefit plans to compensate full-time regular and part-time regular employees for certain time lost for legitimate medical reasons. (Please consult the appropriate sections of this Handbook for information regarding these benefits.)

Should you be unable to work because of illness, you must notify your Supervisor or your department head by 8:30 a.m. on each day of your absence unless you are granted an authorized medical leave, in which case different notification procedures apply. (See the disability leave or absence policy earlier in this Handbook.) Failure to properly notify DMS results in an unexcused absence which is not compensated. Excessive tardiness and absenteeism may result in termination.

SNOW AND WEATHER EMERGENCIES

Occasionally, snow and other weather conditions are severe and cause tardiness and absenteeism. During snow and other weather emergencies, staff will be expected to make reasonable efforts to report to work. In the event that you cannot travel to and from work in a safe and timely manner, you have the following options:

- Take vacation time equal to the time that you were unable to work (for tardiness or absenteeism);
 - Work at home, if your work assignments permit and you have obtained your Supervisor's permission;
 - Take leave without pay for the time you are unable to be at work or to cover tardiness;
- or

Whenever you plan to work outside of normal working hours, please make sure your Supervisor is aware of your plans and approves them.

PROBLEMS AND COMPLAINTS

Destiny Management Services, LLC, (DMS) makes reasonable attempts to treat all employees fairly, yet we understand that problems arise from time to time. You are encouraged to address complaints to your Supervisor or Human Resources for assistance in resolving problems.

TERMINATIONS

Health Management Resources, Inc. (DMS) reserves the right to terminate the employment of any individual. The most common circumstances under which your employment with DMS might end are discussed below.

- **Termination Through Resignation:** We request at least two weeks' notice of impending resignations so that your responsibilities may be reassigned in an orderly fashion. No severance pay will be made in the event of resignation.
- **Termination for Cause:** If you are found engaging in any illegal, unprofessional, or unethical practices, you may be terminated with no advance notice. No severance pay will be made in the event of termination for cause.
- **Termination Due to Unbillability, or for Any Other Reason, or at Will:** In the event your employment with DMS ends for any of these reasons, you may be given two weeks' written notice. Employees may receive severance pay at DMS's sole discretion.
- **Termination Due to Unsatisfactory Performance or Chronic Absenteeism:** In the event of unsatisfactory performance or chronic absenteeism, corrective measures will be taken. Each employee will be given the opportunity to improve upon the situation. However, if definite improvement is not made, the only recourse will be termination.

Regardless of the reason for termination, exit interviews will be scheduled to review eligibility for benefit continuation, to ensure that all necessary forms are completed, and to collect all company property that may be in the employee's possession. You must submit a final time and expense report within five days following termination. A final check will be issued within 30 days after receipt of the final time and expense report; this final check will take into account pay due, accrued vacation due, and any other outstanding debts owed to DMS.

CHAPTER 3. EMPLOYMENT CLASSIFICATIONS & PERFORMANCE REVIEWS

EMPLOYMENT CLASSIFICATIONS

Your employment at DMS is based on one of the following five employment classifications:

Regular Full-time; Regular Part-time; Casual; Temporary; or Consultant.

Regular Full-time Status

The definition for this classification of employment requires 40 hours per week, regularly scheduled and assigned responsibilities, and a specified work week. Full-time employees are entitled to full benefits as described in Chapter 3.

Regular Part-time Status

Part-time employees must work a minimum of 20 hours per week, but generally do not exceed 39 hours per week. Part-time employees accrue leave at one-half the rate of full-time employees and are eligible for health benefits if they work at least 30 hours per week. The benefit schedule for part-time employees is one-half that of full-time employees and benefits are paid on pro-rata basis.

Casual Status

Casual employment is defined as employees working less than 20 hours per week and generally on an irregular work schedule. These employees are compensated on an hourly basis for actual hours worked. Casual employees are not eligible for company-sponsored benefits, including paid leave, health insurance, holiday pay, etc.

Temporary Status

Temporary employees are hired for a specific-task of short duration (1-3 months). These employees are not eligible for Company-sponsored benefits, however, compulsory salary deductions do apply (See Chapter 4-Compensation).

Consultants

Consultants are retained on a fixed-fee or hourly basis. They are not considered employees of the Company and must have completed a consulting agreement. Consultants do not receive company benefits, nor are any Federal/State deductions made from their compensation.

Consultants will be issued an IRS form 1099 if consultant costs exceed \$600.00 per year.

1099s will exclude travel costs.

PROBATIONARY PERIOD FOR NEWLY HIRED EMPLOYEES

Newly hired employees of Health Management Resources, Inc., (DMS) are subject to a 90 day probationary period. During this period, the employee and his/her supervisor will have the opportunity to determine whether the work to which the employee has been assigned is suitable. This will be

accomplished through the use of an evaluation review form. If at any time during the probationary period it is determined that the employee is not performing his or her job in accordance with the standards of DMS, the employee may be **dismissed without notice**. Completing the 90-day probationary period does not constitute permanent employment. Permanent employment is accomplished by receiving a successful rating on your review form which is completed by your supervisor.

New employees must successfully complete the 90-day probationary period (i.e. become a permanent employee) before using accrued vacation, sick leave or enrolling in 401(k) Plan. (See Chapter 5-Benefit Programs).

PERFORMANCE REVIEWS AND SALARY ADJUSTMENTS

DMS's strength lies in its ability to attract, motivate, and retain a high caliber staff. Your performance will be evaluated by your supervisor on an ongoing basis. In addition to the probationary evaluation, you will receive an annual performance evaluation. Employees will be notified by Human Resources when they are eligible for review. Such evaluations will normally occur on the first anniversary of your hire date, and annually thereafter.

As part of your performance evaluation you will be asked to discuss your long-term and short-term goals. Your supervisor will comment on your level of competence in a dozen or so areas (e.g., quality of work, quantity of work) and will include discussions on your strengths, weaknesses, and personal objectives. Upon completion, your supervisor will review this evaluation with you and share his or her own observations about your performance. The written record of these discussions becomes part of your personnel file.

The purpose of the review process is to:

- Summarize progress toward goal(s) achievement;
- Define areas of strengths, weaknesses, and areas that need improvement and/or refinement;
- Establish new and additional goals; and
- Provide an overall summary of employee performance.

In addition to the regular performance evaluations described above, special written performance evaluations may be conducted by your supervisor **at any time** to advise you of the existence of performance or disciplinary problems.

Pay increases are considered each year on the employee's anniversary dates. Increases, however, are not automatic and are recommended based upon the employee's performance as documented on the completed performance evaluation form.

CHAPTER 4 - COMPENSATION AND SALARY ADMINISTRATION

PAYMENT OF WAGES

Employees are paid on a semi-monthly basis and payment of wages/direct deposits will be made on the 5th and 20th **working** day of the month. (Note: If the pay date falls on a Saturday, checks/direct deposits will be issued on that Friday. However, if the pay date falls on a Sunday or holiday, checks/direct deposits will be issued on the **following business day**.) All required deductions, such as federal, state and local taxes and all voluntary deductions will be automatically withheld from your pay. Direct deposit is available for receipt of wages.

For further explanations of payroll procedures, see Administration Procedures in Chapter 5.

Direct Deposit

As a convenience to our employees, DMS has instituted a direct deposit program for payroll purposes so that your wages may be direct-wired into personal account(s), allowing up to two (2) separate accounts. When signing on to use direct deposit or making any changes to your transaction information, you will be issued a check for the first pay period. During this pay period there will be a "pre-note" which is a simulated payroll transaction done to ensure accuracy. Assuming there are no problems, direct deposit will be initiated the following pay period. For personal record keeping, Non-negotiable Vouchers will be mailed to the homes of employees outlining deductions and benefits accruals at regular payment times.

We advise that employees take advantage of this convenient benefit. It is DMS policy to mail vouchers, as well as all checks to the employees' home. This policy is true for all types of checks issued by DMS.

OVERTIME COMPENSATION

Exempt Employees

It is the policy of DMS to not routinely compensate Exempt Employees for hours worked in excess of 40 per week. In exceptional instances when overtime is to be paid, the following policies apply:

- Exempt employee overtime hours must be approved in advance by the client and billable to the appropriate supporting contract. An overtime authorization form must be completed and submitted with the time sheet.
- Exempt employee overtime compensation rates will be calculated at the employee's straight base rate for all hours worked in excess of 40 hours in any work week.

Non-Exempt Employees

In compliance with the Fair Labor Standards Act, DMS will pay overtime to all non-exempt employees (support staff) for hours worked and *approved in advance by the client* in excess of 40 hours per work week. Any applicable hours must be recorded on an overtime approval slip. Approved overtime is compensated at the rate of one and one-half times the employee's regular working pay rate.

PAYROLL DEDUCTIONS

There are two classes of payroll deductions: (1) those required by State and/or Federal law, and (2) those authorized in writing by the employee. Such authorization will be maintained in the personnel file of each employee for review.

Compulsory Salary Deductions

- Federal Withholding Tax;
- F.I.C.A.;
- State Withholding Tax; and
- Garnishments—By law, the company is required to honor any legal garnishments of employee's wages or salaries.

Elective Deductions

- 401(K) Pension Plan; and
- Group insurance deductions made predicated upon the employee's participation decision.

Changes in Withholding and Other Information

Changes in an employee's tax status (charged at a maximum 4x's a year), including a change in the number of dependents or any other information, must be reported on the appropriate form, and submitted to Human Resources. All appropriate forms are available upon request. Human Resources should be notified in writing of any change of an employee's name, address, telephone number, or emergency contact.

CHAPTER 5 - BENEFIT PROGRAMS

OVERVIEW OF BENEFITS

DMS offers a variety of employee benefits. Full-time employees are eligible for all benefits described in this section. Some benefits, particularly holiday and vacation pay, may accrue at one-half the rate for part-time employees. Part-time employees are eligible for some benefits, particularly holiday and vacation pay, accrued at one-half the full-time rate.

HOLIDAYS

The following holidays are observed by the firm:

- New Year's Day
- Martin Luther King's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day (**optional**)
- Veterans Day (**optional**)
- Thanksgiving Day
- Friday after Thanksgiving (**optional**)
- Christmas Day

The dates of these holidays normally coincide with the Federal holiday schedule.

VACATION

All full-time employees are eligible for a paid vacation based on length of service and employment status. Part-time employees who work at least 20 hours per week receive one-half of the vacation accrual rate for full-time employees. During the first through fourth years, vacation time is accrued for full-time employees at the rate of 3.33 hours per pay period (10 days per year). During your fifth year of employment, vacation time is accrued at 4 hours per pay period (12 days per year). From years six on, you will accrue 5 hours per pay period (15 days per year). No more than 160 hours of vacation leave can be banked per employee. Upon termination, all accrued vacation (up to 160 hours) will be paid as part of the final payroll check. Vacation can be taken by new employees only after successful completion of the 90-day probationary period.

It may be possible to extend your vacation period through a short (e.g., two weeks) leave of absence without pay. Such leave periods must be approved in advance by your supervisor. For longer extensions, please see the leave of absence policy. Vacations should be scheduled carefully to accommodate your work assignments and should be coordinated with and approved by your supervisor. Please alert your supervisor as soon as your vacation plans are firm.

SICK LEAVE

All full-time employees are entitled to 40 hours of sick leave per year, accrued at a rate of 1.66 hours per pay period. Each employee can carry up to a maximum of 80 sick leave hours from one year to the next. In the event of an employee's termination or resignation, DMS will not pay for any unused sick leave.

Employees may be required to produce a physician's statement for any periods of illness in excess of four consecutive days. Remember that long-term illnesses may be covered under the long-term disability plan. Please consult the Human Resources for further information.

If you are unable to report to work due to an illness or injury, it is imperative that you notify your supervisor at the start of your work day. For this reason, please keep your supervisor's home phone number available for use during non-work hours. Let your supervisor and the receptionist know where you can be reached and when you expect to return.

LEAVE OF ABSENCE

Occasionally, employees may be granted an unpaid leave of absence for personal reasons such as family responsibilities or educational advancement. Such absences require approval by the Supervisor. In keeping with the Family and Medical Leave Act (FMLA), eligible employees may take up to a total of 12 workweeks of unpaid leave during any 12-month period for those reasons specified by the FMLA. Apart from FMLA leave, however, leave of more than 30 days will generally not be considered. Policies regarding the specific types of leave of absence are discussed below.

Death In Family

You are entitled to use your vacation leave when a death occurs in your immediate family, including spouse, children, parents, grandparents or siblings. Beyond that, leave without pay will be granted on a case-by-case basis, depending upon the circumstances (including your relationship to the deceased, your responsibilities to the estate, your role and tenure with the firm, and the overall financial status of the firm).

Jury Duty

If you are called for jury duty or subpoenaed as a witness, DMS will pay you the difference between your regular salary and any allowance you receive from serving for up to two weeks. During this period, you may be expected to conduct work at home or during off-hours to minimize the negative impact of your absence. To qualify for jury duty, you must submit to your supervisor a copy of the summons to serve as soon as it is received. In addition, proof of service must be submitted to your supervisor when your period of jury duty is completed. To comply with this policy, you should sign over compensation checks issued by the courts to DMS. In return, you will receive full payment of the days missed on your normal pay schedule.

Military Service/Training

An unpaid leave of absence for military service may be granted for the period of required service. As required by Federal law, you will be returned to active employment at your former salary and job level. You

will also be granted unpaid time off to participate in military training for a period of up to two weeks a year, provided you first obtain approval from your supervisor.

Disability And Pregnancy Leave

A disability is illness, injury, or other physical or mental condition that renders you continuously unable to perform substantially the duties you were performing prior to the commencement of such condition. In the event any dispute arises as to when an employee becomes disabled, such issue shall be conclusively determined by the Senior Management Staff. In the event of a temporary disability or pregnancy, the following DMS policies apply:

- You will be entitled to pay for all accumulated sick and vacation leave.
- Beyond this period, you may be granted a temporary leave of absence without pay for one of the following periods of time:
 - Twelve workweeks, or
 - The time required for the disability to be corrected. Your ability to return to work must be determined by a physical examination performed by an independent physician.
 - In the event that you return to work within the twelve workweek period, but can fully perform the required services for less than 30 days before relapsing into disability, the consecutive two-month disability period is not totaled and shall continue.
- DMS will hold your job position open during your pregnancy and disability leave for 12 work weeks.
- All disability leave requests must be accompanied by appropriate medical certification from your physician, indicating the condition necessitating your leave request and your projected date of return to work. This information is in addition to the requirements of the disability insurance.
- If your leave request is granted, you are required to provide the company with additional physician's statements at least once every 30 days, or more frequently, if requested, attesting to your continued disability and inability to work. Before being permitted to return from disability leave, you are required to present the company with a note from your physician indicating that you are capable of returning to work.

All employee benefits, with the exception of health and life insurance, lapse during periods of unpaid leave. For instance, you will not accumulate sick leave or accrue vacation leave during this time, nor will you be paid for holidays that occur during the leave period.

HEALTH AND WELFARE BENEFITS

DMS is dedicated to compliance with statutory regulations affecting employee benefit plans including, the IRS, Department of Labor regulations, ADA, COBRA, ERISA, FMLA and other laws which may now or later

affect the corporation benefit plans. Questions concerning your rights and responsibilities under these plans may be referred to Human Resources. At the time of this publication, DMS offers the following:

- Medical, Prescription, Hospital and Dental; and
- Life and Accidental Death and Dismemberment
- Long-term Disability.

HEALTH INSURANCE

All full-time employees and part-time employees working at least 30 hours per week are eligible for health insurance benefits. Health insurance is fringed by employer and employee contributions. Each full-time employee electing coverage through DMS is required to pay 10% of the premium for coverage. The employee portion of the health insurance premium is increased to 40% for part-time employees.

You must enroll for the plan within the first 30 days of your employment. Because each individual is medically underwritten, you may be: 1) covered completely or 2) covered with accompanying medical riders.

DENTAL INSURANCE

Dental insurance is available to full-time employees at no cost for individual policies. When an employee elects family coverage, he or she is then responsible for paying the difference between the individual and family premiums.

LIFE INSURANCE

Life insurance is available at no cost to employees who work more than 30 hours per week. The policy value is 1 x (times) your yearly salary up to \$100,000. Accidental death is paid at 2 x (times) the annual salary; dismemberment benefits are paid at one-half of the death benefit amounts. If you have any questions regarding life insurance please contact Human Resources.

DISABILITY INSURANCE

Long-term disability is available at no cost to employees who work more than 30 hours per week. This benefit pays 60 percent of the employee's monthly salary up to \$5,000 per month. Benefits start after 90 days of total disability, which is defined as rendering the employee totally unable to perform his/her duties. For more information, please see Human Resources.

WORKER'S COMPENSATION

Worker's Compensation Insurance is provided for all work-related accidents. You must inform Human Resources within 72 hours of a work-related accident, even if an accident does not seem serious at the time, to ensure that payments will be made.

C.O.B.R.A.

In compliance with Public law 99-272, Title X, C.O.B.R.A., DMS guarantees identical medical coverage (life, disability, and dental do not apply) to terminating employees (except terminations due to gross

misconduct) if elected by the employee. The expense of the premium is the sole responsibility of the employee.

FICA, FUTA, SUTA

Employees are responsible for unemployment taxes (FUTA and SUTA), and taxes related to Medicare and Social Security (FICA). DMS takes a payroll deduction on behalf of its employees to honor this Government requirement as well as provides an employer match for FICA.

401(K) PROFIT SHARING PLAN

All full-time employees and part-time employees working at least 1,000 hours per year (or approximately 20 hours per week) can participate in DMS's 401(k) Profit Sharing Plan after having met all eligibility requirements. You will be eligible to join the plan when you have successfully completed your probationary period (90 days) of employment for DMS, and have reached the age of 21. Once you have met these requirements you can enroll only during quarterly open enrollment dates (January 1, April 1, July 1, or October 1).

This plan consists of three parts:

- Employee Contribution–You may contribute up to \$9,500 per year, and defer this amount from taxes until retirement. This portion of the plan belongs solely to you with no vesting period¹.
- Employer Match–Each year DMS may determine a percentage which will be matched to the employee contribution. This amount is attained under the vesting schedule listed below.
- Profit Sharing–Each year an amount may be added to the plan of each eligible employee (whether they contribute or not). This amount also falls under the vesting schedule below.

<u>Years of Service</u>	<u>Percentage</u>
0-2	0%
2	25%
3	50%
4	75%
5	100%

For additional, specific information regarding retirement plan distributions, please see your employee retirement plan summary or inquire at the Human Resources office.

¹ Vesting schedule is the length of service required to receive any funds contributed directly by DMS (i.e., the employer match and profit sharing portions). However, the employee's contributions and any interest earned from the employee's contributions do not require length of service vesting times.

BONUS PLAN

As the discretions of the President, DMS will distribute to any eligible employee, a year-end bonus consistent with a specific set of evaluative criteria. Evaluative criteria used to determine an employee's eligibility for a bonus distribution will be primarily focused on marketing business development and professional development. However, the following categories may also be a factor: Project/Fiscal Management; Individual Performance Ratings; Productivity; Qualitative Measurements and Standards; Creativity Input commitment and dedication to work and professional grounds.

CHAPTER 6. ORIENTATION, EDUCATION AND TRAINING

Destiny Management Services, LLC, (DMS) encourages its employees to keep abreast of the latest development and advancements in their fields and to continually expand their knowledge and skills to improve their career growth potential with DMS. All employees are encouraged to attend in-house training programs and seminars, to continue their professional education, to participate in professional associations, and to seek regular and frank feedback about their performance.

IN-HOUSE STAFF DEVELOPMENT

Professional and personal development is a process that can be carried out only by each staff member for himself or herself. DMS recognizes a responsibility, however, to provide an environment and resources that make each staff member's development program possible. This support takes several forms.

The most important element is the person-to-person interaction between employee and their Supervisors. Please turn freely to your Supervisor (and other senior members of the firm, as appropriate) for support, coaching, and mentoring.

Another important element of staff development is DMS's program of in-house workshops and seminars. This ad hoc program covers various topics important to professional and personal development. They are scheduled as needed, usually during after-work hours. You are encouraged to offer suggestions for future in-house seminars.

Still another aspect of the staff development program is use of outside resources. Some courses and seminars presented by nearby universities, associations, and other sponsors can contribute significantly to personal and professional development meet certification requirements. Active membership in professional associations sometimes are equally constructive. This is discussed in further detail below.

SEMINARS AND CONFERENCES

At times, recognized professional seminars and conferences are held that offer training or information of value to your career at Destiny Management Services, LLC, (DMS). If you are a full-time employee, the President may approve your attendance at these seminars. This benefit is offered on a cost-sharing basis to be individually negotiated.

CHAPTER 7. ADMINISTRATIVE AND OFFICE PROCEDURES

PROJECT CHARGE NUMBERS

All projects are assigned a sequential charge number when a new contract is awarded. All expenses incurred in relation to that project (labor, copies, postage, telephone) should be charged to that project's charge number. Therefore, it is essential to notify the Controller of each new project or assignment as soon as possible so that a new charge number can be established.

Some jobs are assigned charge numbers that include a task order number. In these instances, it is important to include both the charge number and the proper task order number.

There are also charge numbers for overhead (999), overhead site (998), general and administrative (G&A) (900), bids and proposals (888), and business development (777). Business development encompasses all marketing activities. Time spent writing a proposal or preparing an oral presentation should be charged to bids and proposals. Overhead cost represent any charges related to a contract that are directly chargeable to the contract.

Fringe Benefits

The components of Fringe Benefit costs are determined by the relationship to payroll and related employee benefits. For instance, payroll taxes, unemployment insurance, vacation leave, sick leave, holiday leave and costs are incurred by the company to support each employee.

Overhead

When costs are incurred for the benefit of a specific segment, and are not directly chargeable to the contract, the cost are accumulated in an overhead pool. Indirect costs are accumulated by logical groups and distributed on the basis of benefits accruing to the several cost objectives. The number and composition of cost groupings are governed by practical consideration such as location, similarity of cost objectives and suitability of allocation bases.

General & Administration

General and Administration (G&A) expenses are any management, financial or other expenses which are incurred by or allocated to the pool as a result of administering the overall operations of DMS. The administrative operation establishes policy and provides guidance to all segments (divisions) in the operation. The costs include, but are not limited to, those incurred for the benefit of all segments of operations such as payroll, personnel, applicable consultants, and applicable legal costs. Certain business development costs and Bid & Proposal (B&P) costs are included in this pool and are further segregated by charge numbers.

The following charge numbers are assigned to the indirect cost pools.

Overhead Site	998
Overhead	999
G&A	900
Bid & Proposal	888
Business Development	777

EXPENSE REPORTS

When expenses are incurred, prior to the end of each month, all employees must submit completed expense reports. The reports must be signed by your supervisor. Each supervisor is responsible for verifying expenses indicated. These forms can be found in the copy room. Sample report forms are included as Exhibits V-1 and V-2 at the end of this chapter. These reports are due by the last working day of the month. A schedule of due dates will be issued periodically by the accounting department.

PROCEDURES FOR TIME SHEET REPORTING

Destiny Management Services, LLC, (DMS's) procedures are designed to ensure accuracy in time reporting and time charges to the Government and other clients.

(1) Time Must Be Posted Daily and Conform to Principles of Internal Control

The following time reporting procedures must be observed by all DMS employees:

- Time must be recorded onto time sheets at the end of each workday to reflect how your time was spent. Use appropriate charge and tasks numbers. Please keep your semi-monthly time sheet on your desk in plain view.
- Time must be recorded in ink. Changes must be made with a single strikeout (/), not by erasing or whitening out.
- The employee and supervisor must initial all changes and then explain the reason for each change on the time sheet.
- Time sheets must be signed by you and your supervisor at the end of each reporting period (each month), attesting to their accuracy.

DMS periodically makes spot-checks to verify that all employees are posting their time daily. Your cooperation in this matter will facilitate DMS establishing a reputation based on integrity.

(2) Exempt Employees Must Record Overtime, Even Though Compensation For Such Time Is Not Permitted

Health Management Resources, Inc., (DMS) expects that professional staff normally will be able to accomplish their work within a standard 40-hour week. Occasionally, they will be required to work overtime, although there is no cash or other compensation for additional hours worked. When you work

overtime you must record these hours so that we can allocate your salary properly. Official overtime is defined as follows:

- Official overtime is time spent in DMS offices or in client, prime contractor, or subcontractor offices in excess of eight working hours per weekday or time spent in these locations on holidays or weekends. In calculating the amount of work hours in a day, subtract coffee breaks, personal phone calls, personal errands, lunchtime, rest periods and other periods in which work is not performed (even if you are in the office).
- Prior Supervisor approval is required for all overtime.

The total time reporting by exempt employees is for cost accounting purposes only. Employee performance will not be evaluated on the basis of the amount of overtime hours worked. Overtime (beyond the normal 8-5 work hours) will not have an impact upon annual performance. Productivity, and corporate contribution are factors, which will be used as the basis for performance evaluations.

NOTIFICATION OF CLIENT ASSIGNMENT CHARGE NUMBERS

Periodically, the Controller will circulate an updated list of project charge numbers will be circulated. Refer to this list to determine the appropriate charge number(s) for the duties assigned to you.

Before submitting work to any member of the support staff record the appropriate project charge number. Also, use/record the appropriate project charge number when requesting deliveries, making photocopies, placing purchase orders, making long-distance telephone calls, and so on.

BUILDING/OFFICE SECURITY

The building is locked at all times and the code is available from the receptionist. However, if you intend to work beyond 6:00 p.m. or on the weekend, it is required that you keep the front office doors locked. The safety and well being of DMS staff is of the utmost importance, and this policy was designed to help ensure it.

Finally, all staff should ensure that all equipment is turned off before leaving the office. Particularly when working late, be sure that all computer equipment, copiers, coffee pots, and lights have been turned off.

Employee Sign-In

All employees are required to sign in and out at the front desk. This sign-in sheet has been initiated, not only to assist in tracking employees' time in the office, but also to serve as a way for the receptionist and other DMS staff to know your whereabouts during office hours. Observance of this policy will enable staff to contact you in case of emergencies, and will allow the receptionist to correctly inform your clients/co-workers of your anticipated return to the office.

CHAPTER 8 - OFFICE PROCEDURES

FILING

PURCHASE OF SUPPLIES OR EQUIPMENT

Purchasing Policy

The Purchasing Systems is designed to provide for orderly acquisition of company supplies, equipment, inventory and various other goods and services, and to provide for the tracking of approval, ordering, delivery, and payment of such items. This excludes ongoing services and agreements.

The basic documents involved include a Purchase Requisition, a Purchase Order form, an Invoice, and any Delivery slips/attachments that may accompany shipment of the product. Purchasing Requests (i.e., Requisitions) must be completed with appropriate approvals for all purchases whether direct or indirect. Purchase Orders (POs) will be issued only when supported by appropriately approved and justified Purchasing Requests. Thereafter, the receptionist will place the order for delivery to DMS.

Roles and Responsibilities

Requestor–Complete Purchasing Requisition and justify purchase. For purchases other than general office supplies, the requestor should obtain at least three quotes and recommend vendor/source.

Project Manager–Assign Charge Numbers, review request for appropriateness, insure funds are available within the contract (direct charges) and that item is authorized by contract, and sign the purchase requisitions. For purchases over \$500, Project Manager must obtain President's approval.

Approval Levels

Project Manager–Any direct charges, less than \$500 - review request obtain additional information (if required) and approve purchase.

President–Any charges, greater than \$500 - review request, validate requirements, and/or funds availability.

Review Purchasing Request and verify that the appropriate approvals have been obtained. Prepare Purchase Order (PO) from Purchase Request information. Purchasing Agent/Buyer will call vendor to place order. When equipment is physically received, Purchasing Agent/Buyer will record serial number in Asset Inventory List, Log delivery slip in receiving log inventory list, log delivery skip in receiving log and attach to PO.

Procedures

- Requestor completes a Purchase Request. Approved Purchase Request Forms must contain all designated information, justification and charge number. (See Purchasing Policy for approval procedures).

- Approved Purchase Request Forms are then given to Purchasing Agent who assigns a Purchase Order number and logs in Purchase Order log book.
- Purchasing Agent prepares Purchase Order and places order with vendor, verifying quantity, price, availability and shipping.
- If required, Purchasing Agent sends the original copy of the Purchase Order to the vendor. A copy is filed until invoice is received.
- All deliveries are received through the Purchasing Agent, who records the serial number in the Asset Inventory List.
- The Purchasing Agent/Office Manager attaches the delivery slip to the PO and files until invoice is received.
- When the invoice is received, Purchasing Agent attaches the PO and forwards to the Accounting Department.
- Accounting forwards to requestor for review and invoice approval.
- Invoice is returned to Accounting Department for payment processing.

POSTAGE

The Receptionist is responsible for affixing the proper postage to all outgoing mail and no one else is authorized to use the company postage meter. Employees are required to mark the upper right-hand corner of all business mail with the appropriate project number and deposit outgoing mail in the box located at the front desk.

LONG DISTANCE PHONE CALLS

Employees required to make long distance phone calls for their particular job or contract must use the appropriate charge number when placing the call. When dialing long-distance, you will hear a long tone after entering the phone number you wish to call. When you hear this tone, enter your job (charge) number to complete the call.

COURIER AND OVERNIGHT DELIVERIES

Destiny Management Services, LLC, (DMS) uses Federal Express and UPS for overnight deliveries. Courier Service is used for deliveries within the Metropolitan area. Please see that all deliveries are assigned the proper charge and task numbers prior to requesting assistance in shipping letters or packages.

KEEPING IN TOUCH

Whenever you plan to be out of the office for business or personal reasons, please let the receptionist know where you can be reached and when you expect to return.

CHAPTER 9 - TRAVEL POLICIES AND PROCEDURES

PER DIEM

Per diem (which covers lodging and subsistence) is reimbursed according to the Federal Travel Regulations schedule. Obtain a copy of the most current schedule from your supervisor or from the Conference Division. Hotel bills are a required attachment to an expense account that claims a per diem reimbursement.

TRAVEL

First class travel is not allowed unless no coach seat is available. If you wish to travel first class, you may pay the difference. If you are forced to take first class accommodations, please make a statement on your expense account explaining the circumstances.

Mileage in your personal car is reimbursed at *\$0.34* per mile.

Procedures

- Prepare a Travel Request Form for each trip and have it approved by your supervisor.
- Once approved, the Travel Request Form should be forwarded to the Accounting Department in order to receive a Travel Expense Form and to log in the trip.
- Travelers may coordinate their own travel arrangements. All business-related airline tickets should be purchased through Cahan Travel.
- Upon return from travel you must complete the Travel Expense Form, have it approved by your supervisor, and submit it to accounting for processing. (Retain all of your business-related receipts to be attached to the Travel Expense Form).

If you are requesting an advance, please indicate on the Travel Request Form and your request will be processed. The request must be received by Accounting two weeks prior to departure date to ensure check preparation.

APPENDIX A

AFFIRMATIVE ACTION POLICY AND PLAN

1. INTERNAL COMMUNICATION OF EQUAL EMPLOYMENT OPPORTUNITY POLICY

The Equal Employment Opportunity Policy of Destiny Management Services, LLC, (DMS) will be communicated to all employees and prospective employees in these ways:

- Distribution of the DMS policy statement to all current staff, including the officers responsible for its administration, and inclusion of the policy statement in the Handbook given to all new employees.
- Detailed discussions at officer, management, and staff meetings.
- Publication, where appropriate.
- Consistent and continued informal communication of the policy to all employees by DMS management group members.
- Special emphasis to all DMS management personnel of DMS's commitment to equal employment opportunity.

2. EXTERNAL DISSEMINATION OF POLICY

- All employment and recruiting sources will be informed that DMS is an Equal Opportunity Employer.
- All subcontracts and major vendors and suppliers will be notified of DMS's policy and will be required to conform.
- An Equal Opportunity clause will be incorporated in employment advertisements.

3. AUTHORITY AND RESPONSIBILITY FOR COMPLIANCE

The President will be responsible for the Destiny Management Services, LLC, (DMS) Affirmative Action Plan. She will issue necessary administrative instructions, request appropriate personnel inventories, review progress, and continually review the plan to ensure compliance with acts of Congress, Executive Orders, contractual commitments, and equal employment opportunity directives.

4. AFFIRMATIVE ACTION PROGRAM IMPLEMENTATION

Implementation of the Destiny Management Services, LLC, (DMS) policy and plan is assigned to all DMS personnel responsible for recruiting, hiring, training, promoting, evaluating, and assigning personnel. DMS Senior Management Staff have responsibility for reviewing the Affirmative Action Plan, and for seeing that it is properly implemented and maintained.

(1) Recruiting New Employees

- a. DMS will actively seek out qualifying minority, women, handicapped, disabled veterans, and veterans of the Vietnam Era applicants for employment.

- b. The phrase "An Equal Opportunity Employer" will be used in all employment advertisements.
- c. Good faith efforts will be made to recruit and employ minorities, women, the handicapped, disabled veterans, and veterans of the Vietnam Era in management level and all other positions.

(2) Employment and Selection

- a. Employees will be selected wholly on the basis of ability, experience, training, and other objective factors related to ability.
- b. Employment selection criteria will be reviewed to ensure that they do not discriminate against any individual on other than a job-related basis.

(3) Placement, Training, and Advancement

- a. Affirmative efforts will be made to place, train, and advance women, minorities, handicapped individuals, disabled veterans, and veterans of the Vietnam Era in all departments of DMS.
- b. All qualified staff will be considered for all openings, and all vacancies will be announced to all employees.
- c. Salaries will be established and increased without regard to age, race, color, sex, national origin, religion, or physical or mental handicap.
- d. Employees will have equal opportunity to participate in all DMS-sponsored and outside training without regard to race, religion, sex, color, age, national origin, or physical or mental handicap.
- e. All qualified employees will be given equal consideration for advancement. No job categories are closed, or will be closed, to individuals because they are women, minorities, handicapped, disabled veterans, or veterans of the Vietnam Era.
- f. DMS will periodically review the qualifications and progress of all employees to ensure that the Affirmative Action Plan is fully implemented.

5. AFFIRMATIVE ACTION EMPLOYMENT PRACTICES AND PROCEDURES

(1) Interviewing Prospective Employees

Experience shows that illegal discrimination (intentional or unintentional) may occur easily during the interview process. The chance of illegal discrimination will be reduced if interviewers discuss only subjects related directly to the job. All DMS staff involved in interviewing prospective employees will be cautioned to avoid personal subjects unless the applicant brings them up. For instance, they will be prohibited from asking:

- Whether the applicant is married or intends to marry;
- Whether the applicant has children or is expecting a child, or intends to have children;
- How children, if any, will be cared for during working hours;
- Whether the applicant is a "head of household;"
- Whether the applicant is a member of any organization other than professional organizations relevant to the job;
- About the applicant's religion;
- About the applicant's personal financial situation; and
- About the applicant's national ancestry.

They will be further cautioned not to tell applicants they might not “fit in” with other employees because of their race, sex, physical or mental handicap, or veteran status. (The prejudices of other employees are their problem. It is illegal to refuse to hire an individual because of the preference of co-workers or clients.) All staff will be urged and expected to be sensitive, remembering that many people have been refused employment because of their race, sex, physical or mental handicap, or veteran status in the past.

(2) Evaluating Prospective Employees

Although subjective judgments can never be completely eliminated from the evaluation process, effort should be made to use objective criteria for employee selection.

Broadly speaking, both the initial screening and subsequent evaluation should be based on job qualifications. Requisite qualifications should be established before the screening so that each applicant can be screened against them. Applicants who meet requisite qualifications also should be evaluated against desired (but no necessary) qualifications.

When two or more equally well-qualified candidates are identified, the candidate who furthers the DMS Affirmative Action Policy will be chosen.

6. AUDIT PROCEDURES

To evaluate Destiny Management Services, LLC, (DMS's) Affirmative Action Plan, the Executive Vice President will, each year, analyze the DMS workforce and prepare a report to the Board indicating the number of persons employed by job classification, by salary level, by race and sex, by physical or mental handicap, and veteran status. Disparities (if found) will be noted and the President, in conjunction with Senior Management Staff will pursue corrective action with vigor.

AFFIRMATIVE ACTION POLICY AND PLAN

1. Destiny Management Services, LLC (DMS), a responsible corporate member of society, seeks to comply fully with the equal employment opportunity laws, with Public Law 93-112 relating to the handicapped, and with the Vietnam Era Veterans' Readjustment Act as it relates to employment and the use of consultants. Therefore, and in compliance with these laws and with Executive Order 11246, this Affirmative Action Plan sets forth DMS's Affirmative Action Policy.
2. The following statement of the Board of Directors of Destiny Management Services, LLC, (DMS) is published for the information and guidance of all concerned:

It is the policy of Destiny Management Services, LLC to comply fully with our nation's equal employment opportunity laws and laws relating to the employment of handicapped individuals, disabled veterans, and veterans of the Vietnam Era. All recruiting, hiring, and promotion shall be without regard to race, color, religion, sex or national origin and with due regard to the provisions of P.L. 93-112 and the Vietnam Era Veteran's Readjustment Act. We believe this policy is clearly in our national interest and also in the best business interests of the firm. Moreover, we seek to point the way for others in providing unrestricted and genuine opportunities for minorities of all types, the handicapped, and veterans of the Vietnam Era.

3. Officers of the firm have executive responsibilities for implementing the DMS Affirmative Action Plan. They will monitor this plan, assist in identifying problems, develop solutions, and prepare audit reports in compliance with this plan. At all times, they will strive to improve DMS's ability to implement to the letter and the spirit the equal opportunity laws.
4. The President will monitor this plan, conducting continual analysis to ensure compliance. He will advise the Board routinely of problems and recommend improvements.
5. The Controller will ensure that DMS contracts are in compliance with Chapter 60 of the Office of Federal Contract compliance, Equal Employment Opportunity, and the Department of Labor, with P.L. 93-112, as amended, and with other applicable laws and regulations relating to Equal Employment Opportunity and affirmative action.

Destiny Management Services, LLC (DMS's) policy ensures equal employment opportunity for and utilization of disabled veterans, veterans of the Vietnam Era, and all other individuals without regard to race, color, religion, sex, age, national origin, or physical or mental handicap. The following Affirmative Action Plan is adopted to further DMS's policy and to comply with the requirements of the Office of Federal Contract Compliance, including those specified by Executive Orders 11246 and 11758.

Executive Orders 11246 and 11758 require that all primary and secondary government contractors with a contract in excess of specified dollar amounts have a written Affirmative Action Plan. Accordingly, DMS adopts an Affirmative Action Plan that has six objectives:

- **Recruiting**–To ensure that recruiting practices are free from bias against women, minorities, the handicapped, disabled veterans, and veterans of the Vietnam Era. Every effort will be made to find qualified candidates from these groups to fill vacancies, especially in positions in which these groups are under-represented.
- **Hiring**–To ensure that current hiring practices do not discriminate against women, minorities, the handicapped, disabled veterans, or veterans of the Vietnam Era.
- **Training**–To encourage DMS female, minority, handicapped, disabled veteran, and Vietnam Era veteran employees to take advantage of all available training.
- **Compensation**–To ensure that all performance evaluations and salary adjustments are made without bias.
- **Upgrading and Promotion**–To ensure that all qualified women, minorities, the handicapped, disabled veterans, or veterans of the Vietnam Era are given equal consideration for promotion on the basis of merit, qualifications, and ability.
- **Communication of Policy**–To correct attitudes or unintentional stereotypes of the roles of minorities, women, the handicapped, disabled veterans, or veterans of the Vietnam Era and to communicate DMS equal opportunity to all staff.

For purposes of this Plan, these definitions are adopted:

Handicapped individual means any person who (1) has a physical or mental impairment that substantially limits one or more of such person's major life activities, (2) has a record of such impairment. A handicapped individual is **substantially limited** if he or she is likely to experience difficulty in securing, retaining, or advancing in employment because of a handicap.

Qualified handicapped individual means a handicapped individual, as defined above, who is capable of performing a particular job, with reasonable accommodation to his or her handicap.

Disabled veteran means a person entitled to disability compensation under laws administered by the Veterans Administration for disability rated at 30 per centum or more, or a person whose discharge or release from active duty was for a disability incurred or aggravated in the line of duty.

Qualified disabled veteran means a disabled veteran as defined above who is capable of performing a particular job, with reasonable accommodation to his or her disability.

Veteran of the Vietnam Era means a person (1) who (I) served on active duty for a period of more than 180 days, any part of which occurred between August 5, 1964, and May 7, 1975, and was discharged or

released with other than a dishonorable discharge, or (ii) was discharged or released from active duty for a service-connected disability if any part of such active duty was performed between August 5, 1964, and May 7, 1975, and (2) who was so discharged or released within 48 months preceding the alleged violation of the Act, the affirmative action clause, and/or the regulations issued pursuant to the Act.

This Affirmative Action Plan outlines (1) how the Plan will be communicated to all staff, (2) how the policy will be communicated to people outside the firm, (3) who is responsible for the Plan, (4) how the Plan will be implemented, (5) what practices and procedures will be employed, and (6) how the Plan will be audited.

1. INTERNAL COMMUNICATION OF EQUAL EMPLOYMENT OPPORTUNITY POLICY

The Equal Employment Opportunity Policy of Destiny Management Services, LLC will be communicated to all employees and prospective employees in these ways:

1. Distribution of the DMS policy statement to all current staff, including the officers responsible for its administration, and inclusion of the policy statement in the handbook given to all new employees.
2. Detailed discussions at officer, management, and staff meetings.
3. Publication, where appropriate.
4. Consistent and continued informal communication of the policy to all employees by DMS management group members.
5. Special emphasis to all DMS management personnel of DMS's commitment to equal employment opportunity.

APPENDIX B HEALTH AND SAFETY PLAN

The health and safety of its employees is one of the chief concerns of Destiny Management Services, LLC (DMS). All of the firm's operations are planned with this concern in mind. Corporate policy stresses the need to protect the safety and health of DMS employees whether at the corporate offices or on site at the client's facility.

In order to ensure the continuous implementation of this commitment, DMS has selected Ms. Lucia J. Dest of the firm, as the Health and Safety Officer. The responsibilities of the Health and Safety Officer will be to:

- Monitor the firm's client activities to guarantee compliance with applicable standards, codes, regulations, and policies in effect on your premises and at all client locations;
- Maintain liaison with appropriate client officials about health and safety issues; and
- Resolve health and safety problems that arise, identify hazardous conditions that exist, and perform inspections to uncover health and safety problems.

Ms. Dest was selected as the Health and Safety Officer because of his professional training in human resources and contract as well as her extensive work with the Federal Government.

(1) Health and Safety Plan Procedures

(1) **Purpose**—To comply with health and safety standards set by applicable Federal, State, and corporate guidelines.

(2) **Corporate Policy**—Destiny Management Services, LLC, (DMSs) corporate policy is to provide a safe work environment for its employees that is conducive to maximum productivity and high employee morale. All physical and mechanical hazards will be eliminated by:

- Keeping the work area clean;
- Ensuring all machinery is well guarded;
- Maintaining proper grounding of electrical equipment; and
- Providing safe methods for handling materials.

Employee health issues will be addressed by:

- Providing a health benefits package;
- Maintaining an emergency preparedness plan for accidents;
- Providing health prevention information to employees; and
- Offering health emergency training to employees periodically.

(3) Procedures—The Health and Safety Officer will be responsible for daily compliance with the Destiny Management Services, LLC, (DMS) Health and Safety Plan. Emphasis will be on employee awareness and participation, both to raise safety consciousness and ensure concern for fellow employees' work environment and total well-being. Plan involvement will begin with the first day employees join the firm and will continue throughout their tenure. Implementation procedures include:

- Training, both initially as part of an employee's orientation and ongoing by way of inter-office memo and organized programs (e.g., CPR), and through working one on one with the Health and Safety Officer.
- Periodic safety inspections performed by the Health and Safety Officer and other appropriate employees to:
 - Control maintenance, fire, housekeeping, and special problems;
 - Ensure that employees' activities are consistent with the safety program;
 - Inspect machinery and work areas to keep them in proper operating condition; and
 - Maintain continual building security, during and after working hours.

DMS's Health and Safety Plan is proactive to prevent accidents from happening; however, when accidents do occur, the Health and Safety Officer will act quickly to prevent reoccurrence. The Officer will:

- Investigate all reported incidents thoroughly to obtain accurate and detailed information;
- Take proper and immediate steps to improve unsafe conditions leading to the incident and instruct employees in proper safety measures;
- Prepare accurate, timely records of occupation-related injury and illness; and
- Serve as resource on all insurance procedures concerning occupation-related injury or illness.