

Lutito McDonald's



Manager's Handbook

2017

TABLE OF CONTENTS

| PAGE | |
|-------|--|
| 3 | FORWARD |
| 4 | CHAIN OF COMMAND |
| 4 | RESTAURANT LOCATIONS |
| 5 | LUTITO ORGANIZATION EXPECTATIONS |
| 6 | LUTITO McDONALD'S 10 BUSINESS PRINCIPLES |
| 7 | LUTITO McDONALD'S MANAGEMENT PRINCIPLES |
| 8-10 | I. BENEFITS |
| 10 | II. AVAILABILITY |
| 11. | III. McDONALD'S IMAGE/PROFESSIONALISM |
| 12. | IV. McDONALD'S CARES |
| 12-13 | V. REGULATIONS/PROCEDURES |
| 13-15 | VI. RECOGNITION/INCENTIVES |
| 15-19 | VII. EMERGENCY PROCEDURES |
| 19-21 | VIII. CASH POLICY, COUNTING AND CASH CONTROL |
| 22 | IX. LOITERING |
| 22-24 | X. SAFETY/SECURITY/PRIVACY |
| 25-27 | XI. PERSONNEL PRACTICES |
| 27-28 | XII. TIMEPUNCHES – SCHEDULES |
| 28-32 | XIII. GENERAL COMPANY POLICIES |
| 32 | XIV. DOCUMENTATION POLICY |
| 33 | SALARIED MANAGEMENT |
| 34 | HANDBOOK RECEIPT |

FORWARD

CONGRATULATIONS! WELCOME TO THE LUTITO McDONALD'S
MANAGEMENT TEAM.

YOUR COMMITMENT AND PERSEVERANCE HAS ENABLED YOU TO ENTER
THE ELITE GROUP ----- THE GROUP OF INDIVIDUALS WHO MANAGE THE
BEST 'QUICK' SERVICE RESTAURANTS IN THE WORLD. McDONALD'S!

THIS NEW EXPERIENCE WILL PRESENT YOU WITH MANY NEW
CHALLENGES, RESPONSIBILITIES AND OPPORTUNITIES THAT WILL BE AN
IMPORTANT STEP IN HELPING YOU BECOME THE MOST EFFECTIVE
MANAGER YOU CAN BE.

AS YOUR CAREER CONTINUES TO GROW, THE ACCOMPLISHMENTS YOU
ACHIEVE WILL BE SATISFYING AS WELL AS REWARDING FOR BOTH YOU
AND US.

CHAIN OF COMMAND

CUSTOMERS

OWNERS

Area Supervisors

General MANAGERS

Department Mgrs 3,2,1

Support Departments Managers

Shift Managers

Crew Trainers

CREW

RESTAURANT LOCATIONS

| <u>STORE</u> | <u>ADDRESS</u> | | <u>TELEPHONE NUMBER</u> |
|--------------|-----------------------------------|-------|-------------------------|
| 37189 | 2475 W. Wheeler, Aransas Pass | 78336 | 361-758-9060 |
| 17577 | 1302 Hwy 35 N, Rockport | 78382 | 361-790-7828 |
| 5812 | 1300 Wildcat, Portland | 78374 | 361-643-0916 |
| 36149 | 4066 Hwy 59, George West | 78022 | 361-449-1230 |
| 37172 | 109 N Sunset Strip St, Kenedy | 78119 | 830-583-3700 |
| 10718 | 3745 S Staples St, Corpus Christi | 78411 | 361-857-2373 |

LUTITO ORGANIZATION EXPECTATIONS

Your new position requires you to act responsibly and in the best interest of the Lutito McDonald's Organization.

One element of our success is the greatest expectation of all – which is to communicate. 'Just plain talk' to each other, sounds very simple – and it is. Verbal communication solves many problems before they become larger or unworkable. To understand this concept will make you a winner and keep you organized.

It may be said that we expect too much. Perhaps that may seem true; however, expect much from yourself and you will see how enjoyable your job will be. You will truly have a great feeling of satisfaction.

We expect you to be a winner and we will show you the way. For starters, our winners never offer excuses when something doesn't work. They find another way or keep at it until it is workable. We expect requests done now. A 'do it now' attitude will take you a long way in this company. McDonald's has very high standards in regards to operations. We expect and want "A's" on all levels (operations and profits). Your training for future management positions will be directed towards this endeavor. Also, when you train people at any level you must emphasize perfection of skills and especially tasks. If there is any word you should remember from this handbook it is 'RESULTS'. Achieving a certain result is always going to be more important than 'trying to do something'. In this organization's case, achieving "A" results on profit and operations is critical to your success.

LUTITO MCDONALD'S 10 BUSINESS PRINCIPLES

1. HONESTY! WITH EVERYONE AND ALWAYS WITH YOURSELF. TRUTH MUST BE FIRST HAND!
2. COMMUNICATION! WHEN IN DOUBT COMMUNICATE. AGAIN AND AGAIN HONESTY. SHARE INFORMATION!
3. CUSTOMERS ARE ALWAYS RIGHT AND WILL BE TREATED AS GUESTS.
4. OUR PEOPLE ARE OUR MOST IMPORTANT ASSET. COMMUNICATE HONESTLY IN THEIR BEST INTEREST. SET PEOPLE UP FOR SUCCESS BY COMMUNICATING HONESTLY AND SHOWING CONCERN FOR THE INDIVIDUAL.
5. TREAT THE BUSINESS AS IF IT WERE YOURS.
6. THE ORGANIZATION IS MOST IMPORTANT. ITS GROWTH ESPECIALLY IT'S PROSPERITY, CAN ONLY BE ATTAINED WHEN THE WHOLE IS MORE IMPORTANT THAN THE INDIVIDUAL PARTS.
7. ALWAYS ACT IN THE ORGANIZATIONS BEST INTEREST.
8. WE ENCOURAGE TEAM ATMOSPHERE WITH A LOT OF COMPETITION. GET THE JOB DONE NOW USING A HIGH SENSE OF URGENCY.
9. STANDARDS ARE SET EVER HIGHER, WHETHER FOR QSC, PROFITS OR PEOPLE – ALWAYS STRIVING FOR BETTER RESULTS. OUR GOAL IS ALWAYS BE THE BEST!
10. NEVER MAKE A PROMISE THAT IS IMPOSSIBLE TO KEEP AND KEEP THOSE, WHICH ARE MADE.

LUTITO MCDONALD'S MANAGEMENT PRINCIPLES

1. HONESTY – IS THE MOST IMPORTANT THING TO REMEMBER WHEN DEALING WITH PEOPLE.
2. COMMUNICATION- OPEN, HONEST AND FREQUENT
3. WHEN COMMUNICATING ALWAYS TREAT THE INDIVIDUAL OR GROUP OF INDIVIDUALS AS THE MOST IMPORTANT PERSON OR PEOPLE IN THE WORLD.
4. SET GOALS AND UTILIZE AN ACTION PLAN TO HELP ACHIEVE THESE GOALS.
5. PEOPLE MUST KNOW WHERE THEY STAND INDIVIDUALLY AND AS A COMPANY EMPLOYEE.
6. GIVE PEOPLE THE TOOLS TO DO THE JOB, THEN EXPECT THE JOB TO BE DONE PROPERLY.
7. ALWAYS HAVE HIGH EXPECTATIONS – THAT'S THE ONLY WAY HIGH EXPECTATIONS ARE ACHIEVED.
8. REMEMBER THERE ARE TWO CHOICES, WHICH MAKE UP LIFE. REASONS AND RESULTS AND REASONS DON'T COUNT.
9. ALWAYS ACT IN A PRO-ACTIVE WAY AND YOU WON'T HAVE TO CATCH UP.
10. THE HANDLING OF AN UPSET SHOULD ALWAYS BE DONE WITH THE PERSON THE UPSET IS WITH.

I. BENEFITS

1. Store Manager – is entitled to 2 weeks vacation (1 week and 1 week of personal days) after 1 year of service and must have ‘Manager’ title, no more than 2 weeks MAY BE TAKEN at one time without approval from the Owner.
 - A. Vacation time MUST be taken by all salaried personnel.
 - B. Vacation time is due AFTER services are rendered.
 - C. Vacation – Salaried management time accrues from the date the employee becomes salaried at said position.
 - D. If you do not take your vacation at the proper time, and terminate before taking same, vacation time will be paid at the rate of pay you were earning on the date the vacation was due.
 - E. No more than one member of the STORE salaried MANAGEMENT TEAM may be on vacation during any given period without Owner approval.
 - F. A Supervisor and Store Manager are not to take vacation time at the same time if said Manager and Supervisor are in the same (patch) group of stores.
 - G. Upon termination no titled/salaried employee in the above category shall receive vacation time or vacation pay if they have worked with title less than six full months. Always use your “first day of achieving full title” and ‘salary’ status (not training or probation) as the starting date.
 - H. New vacation time earned will not be posted to employee’s benefit account until the vacation time from the previous year has been taken. A maximum of 3 weeks can be accrued before benefits will be frozen.

2. HEALTH INSURANCE –
 - A. We have a group health insurance program available to all employees working a regular workweek of 30.01 hours or more. Costs for your group health insurance will be deducted from your semi-monthly payroll check. AHCA eligibility is based on a 12 month qualification measurement(see supervisor for details)

PLEASE NOTE: INSURANCE COSTS CHANGE ANNUALLY

- B. HEALTH INSURANCE DURING “SICK LEAVE” - If you are out on ‘sick leave’, or ‘Family Leave’ up to 16 weeks over a two-year period, we, the employer, will continue our share of your medical premium for up to 16 weeks and your share must be sent to our office by the first day of each month. If you are still away from the job at the end of this 16-week period, we will no longer pay any portion of your medical insurance. You may continue in our medical plan and PAY THE TOTAL PREMIUM for the period of time permitted by the insurance carrier (see benefit book). If the plan permits and you elect to keep the medical coverage in our group plan, we expect you to pay the total monthly medical premium to us at our business office on the first day of each month. If the Plan does not permit

you to participate, you will be offered “COBRA” for continuing coverage directly with the insurance carrier.

3. FREE FOOD – Store Managers have unlimited food benefits for personal consumption only.

4. FREE UNIFORM – Must fill out uniform policy waivers.

5. SICK/PERSONAL DAYS –

All Store Managers and 1st Assistants will receive the following amounts of sick/personal days per calendar year. Any time a sick/personal day is used please contact the office and your Owner.

| | <u>If Titled by</u> | <u>No. of days allowed for full working year</u> |
|--|---------------------|--|
| (Bonus Day – 5 th personal day available to employees that work a full calendar year) | | |
| | January 15 | 4 |
| | April 15 | 3 |
| | July 15 | 2 |
| | October 15 | 1 |

If a salaried employee is sick after their allotted vacation/personal days are used, they will be docked a day’s pay for each day taken. To receive a sick/personal day it is the responsibility of the manager requesting a sick/personal day to call and inform the office so that your days can be recorded. Also, you must call your store to inform them of the sick day with pay! All personal days must have Owner/supervisor permission. If, however, you have not used all of your personal days by year’s end you may use them, with Supervisor’s permission, by the end of the following March. Also, do not expect to use more than 1 day in December for a personal day! You cannot change your regular weekly day off to coincide with a personal day off and a weekend day off.

6. MEALS – MANAGEMENT –

Our policy for crew meals is as follows:

Crew person works: 50% off any menu items

Hourly Mgrs
1.00 - 8.00 hours Any Extra Value Meal (EVM)

Any person that wishes to eat more than his/her limit must pay for any and all items that cause them to exceed the limit.

How it works!

When an employee takes a break and wants a meal, they must go around the counter to the designated cash register and order their meal. Only a Management person may get the food for the meal and that manager is responsible for recording it in the proper fashion as indicated by Store Manager. The manager will have you sign the receipt. The meal MUST be eaten in the crew room.

II. AVAILABILITY

RESTAURANT MANAGER - Salary- MINIMUM 50 HOURS PER WEEK – A General Manager will get out of a restaurant what they put into it. At times, much more time is required for restaurant development and proper coverage. A General Manager should open and close at least twice monthly and all days must be viewed every month (as needed- see supervisor). All General Managers are considered transferable to any of our locations as business needs change.

Restaurant Managers - Hourly- 40 hours a week -minimum

Department Managers – must be available on a full-time basis, 7 days a week, working 5 days per week, must work two important weekend shifts (Fri, Sat, or Sun.) and be able to open or close 3 shifts per week.

BUSINESS MAY DICTATE A CHANGE IN YOUR SCHEDULE AND YOUR MANAGER/SUPERVISOR WILL ACT ACCORDINGLY. REQUESTS FOR TIME OFF ARE ONLY REQUESTS AND ARE NOT GUARANTEED.

General Managers are expected to be available to the store(s) at least 50 hours per week. However, there may be a time when additional time is needed to satisfy the needs of the store and those of the company.

Department Managers - must be available a minimum of 32 hours per week which includes a combination of one weekday and two weekend opening and closing shifts (Fri, Sat. or Sun.).

Shift MANAGERS – We would like all Shift MANAGEMENT people to be available on a full time basis. However, the minimum is three days per week of which two must be closing and/or opening shifts.

III. McDONALD'S IMAGE/PROFESSIONALISM

As a member of our MANAGEMENT team we expect you to set a proper example in dress and grooming. A professional appearance is the norm.

HATS - All hats should be worn properly and neatly confining hair in front.

HAIR - Men's hair should be no longer than the top of the shirt collar and half of the ear must show. Sideburns should be no longer than the bottom of the ear lobe. Womens hair should be confined to the hat. Bangs should not be excessive and ponytails should not exceed shoulder length.

UNIFORMS – All uniforms must be well maintained, cleaned and pressed representing a neat and professional image.

| | |
|--------------|-------------------------------|
| TIES | McDonald's approved |
| PANTS | McDonald's approved |
| SHOES | Black color, non- slip |
| SHIRT/BLOUSE | McDonald's approved |
| BELTS | Dark in color |
| SOCKS | Dark in color |
| NAME TAG | Worn daily |
| MAKE-UP | Not excessive – in good taste |
| JEWELRY | Not excessive – in good taste |

ROLE MODEL

Now that you wear a MANAGEMENT uniform you represent, not only your McDonald's but the LUTITO ORGANIZATION and the entire McDONALD'S CORPORATION. What you do and how you act tells our Customer's and crew members much about our company. You are looked upon as a spokesperson and what you say is often repeated. You represent McDONALD'S CORPORATION and LUTITO McDONALD'S. Do not show sales figures or any business information to anyone. Refer to salaried MANAGEMENT. Do not represent yourself as 'the' Store Manager unless you 'are' the Store Manager. Give your exact title when asked, i.e., Swing Manager, Asst. Manager. When you do not have an answer for a customer or someone wanting information, refer them to someone who has the answer such as a Assistant, your Store Manager or your Owner/Operator. Protect your company and yourself at all times. Please avoid gossip and report to your immediate supervisor any harmful information, which may damage the company's image or integrity.

VI. McDONALD'S CARES

Our customers are our business. They must be treated the same always. Treating customers the same means that they are respected and satisfied every time they step into our restaurant. You must do what ever it takes to satisfy your customers. You are expected to take care of and treat our hundreds of customers as guests every day. It's a large responsibility but a very necessary one. Take the time to think about the last visit you made as a customer to a restaurant, retail store or even gas station. How were you treated? What were your impressions? Were you made to feel important or forgotten or even ignored? Were you treated with respect or rudely? You want to be made to feel important. That is how customers must be treated. It is what we expect. It is what you must train yourself to expect.

In the event of a customer complaint, above all else, *listen*. Do NOT debate. Always make an attempt to address customer complaints in a non-crowded area. Solve the problem to the best of your ability. Make every attempt to satisfy the customer. If a customer becomes abusive or belligerent, ask them to please leave. If they won't leave and continue to be belligerent, (loud, etc.), call the police. If a customer wants our office address give them ONLY the phone number, and give them the first name of the manager or supervisor. Do not give out the names of the owners. Always act professional.

V. REGULATIONS/PROCEDURES

1. VISITORS-

When we are visited by VIP's from McDonald's, how should we act? The senior member of the MANAGEMENT team must make himself accessible to these people. We would like you to be some what aggressive, introduce yourself and start a conversation – be

polite and friendly. Get names, cards, purpose of visit and phone # if applicable. Immediately contact your General MANAGER or SUPERVISOR and inform them of our visitors.

2. PRESS, ETC. –

When contacted by the press or any media wanting a statement, Interview or reaction to some event, tell them you are NOT allowed to speak as a representative of McDONALD’S. You would be glad to give them a number of someone that could possibly help them.

Do not allow pictures to be taken on our property until you contact your SUPERVISOR or OWNER. Be sure to get all the information you can about why they are at your store before calling the SUPERVISOR or OWNER.

3. DATING OR PERSONAL RELATIONSHIPS –

MANAGEMENT personnel are not to date other MANAGEMENT who work in the same store. Please inform you General Manager or Owner/Supervisor if this type of situation should arise, so that an immediate store transfer may be made to one of our other locations. If dating occurs within MANAGEMENT teams without your having previously discussed this matter with your superior, disciplinary action will be taken. Also, as per ‘employee handbook’, OUR policy does NOT permit any member of the MANAGEMENT team to date any member of the crew.

4. NON-McDonald’s- (No solicitation)

Employees are not permitted to post non-McDonald’s notices or distribute non-McDonald’s flyers on store premises. Soliciting a fellow employee for a non-McDonald’s event or cause is not permitted. (Example: parties, Tupperware, etc.).

VI. RECOGNITION/INCENTIVES

STORE MANAGERS:

THE “OUTSTANDING MANAGER” AWARD – The manager(s) that receives regional recognition for Outstanding Manager will receive a **\$300.00 Bonus**.

THE “Straight A’s Award”-
The manager(s) with 6 months of A level profits will receive a **\$500.00 Bonus**

THE “ Ray Kroc Award”
The manager(s) that receives this National award will receive a **\$1000.00 Bonus!**

INCENTIVES:

- A. \$300.00 bonus for Outstanding Manager Award from the Corporation. Said manager must have at least a “B” grade on PAC.
- B. Simplified quarterly bonus system – up to \$900 per quarter. (See Supervisor for details)
- C. Performance reviews are given every six months and wage reviews annually.

PROMOTABILITY: A.

Where can a store manager go in this organization and how?

The answer to the first question is predicated on the size and/or profitability of the organization. Of course, the larger the organization the more positions needed and available. How can we grow? Outstanding QSC and profits – without those we will not expand. Who and how? – Those managers who are the most profitable, have the strongest QSC, develop the most qualified people.

The position of Store Manager is a fine career goal and we must let our people know what it’s benefits are and what it takes to attain such a position. It is our goal to get the word out by telling all our people what career opportunities are available. We will post in each store a breakdown of each management category, what it’s benefits are, and how they can be achieved.

Department Managers:

- INCENTIVES:
1. Bonus program at the discretion of the Owner/Operator, positive impact on store will always be a consideration.
 2. Performance reviews are given every six months and wage review annually.

- PROMOTABILITY
1. We are always looking for sharp, professional individuals to move up to a pro tem level. See your Owner/ Operator for details

2. Those people who perform well in the category of Department Manager will be the most likely people to be accepted into the Pro-Tem program. The position of Dept Manager is also a very fine career goal. However it is also a terrific “springboard” to other positions. It is one of our most important priorities to make the a Dept Managers of this Organization feel a part of the decision making team. This will be done by all of us in general and specifically the General Managers. It is the responsibility of the General Managers to make an Dept Manager feel part of their team and to feel needed. This has been done in the past effectively by many managers but must now be done by all managers, using weekly meetings and daily discussions and just asking an , “What’s your opinion?”. Our people are our most precious resource and Dept Managers must be tapped for their ideas.

Shift MANAGERS
RECOGNITION:

- A. Each certified Swing Managers is eligible to receive up to \$500 annually by earning a Manager of the Year award
- B. Organization Rap Sessions – Bi Annually each store will send at least (1) one swing to a general rap session.

INCENTIVE -

The wage increase structure is:

A = .50 B = .35-.40 C = 0 - .15

VII. EMERGENCY PROCEDURES

SAFETY:

— A. CREW INJURY: - Show concern – take all accident cases (except minor burns and surface scratches) to designated local hospital or clinic immediately. If the Manager in charge cannot accompany the injured employee he/she must designate another reliable employee to do so. Be sure to get witness statements and signature immediately. Find out what caused the accident and document same under Manager's comments on claim form. If an injury occurs at night, get all information as above and alert the Store Manager to call claim into '800' number, speak to your Supervisor before filing the claim. An incident/claim form should be filled out even if no medical treatment is needed at that time. You never know what might become a problem later. (Follow Employee Injury Checklist)

***** Obtain witness statements or non-witness statements from as many people/employees as possible. Investigate as well. Make your own statement. Employee completes 'employee section'. Please send Forms to the office IMMEDIATELY!

- B. CUSTOMER INJURY - Show concern and do NOT ADMIT LIABILITY. Get name, phone number and address that our insurance company will contact them. Find out what caused the accident and document same under MANAGER'S comments on claim form. Fill out a claim report and answer all questions. If the customer has any questions tell them to contact the SUPERVISOR. Call in the claim immediately to the '800 number', after conferring with your supervisor. If witnesses are available get their statements as well.
- C. EXTREME 911 EMERGENCY – Dial 911 for paramedics. Be helpful – find out what caused the accident and note what you see about the possible causes of the accident. Fill out all accident claims forms.

It is not our policy to pay ambulance transportation for customer/employee in our store just because we dialed 911 in an effort to help. Please alert injured person or friend of possible paramedic/ambulance fees.

- D. KEEP YOUR STORE SAFE – Keep the store clean

(especially the floor). Put wet floor sign on spills IMMEDIATELY, then mop. If you see a safety problem, Tell your store manager immediately! Maintain a minimum of 6 wet floor signs in your store always. When mopping floor area bigger than a spill, ALWAYS USE A MINIMUM OF 3 WET FLOOR SIGNS.

E. ROBBERY-

Remain calm (we don't want heroes). Do exactly as you're told. Call police immediately after suspect leaves. Close the store if necessary, ask crew to put in writing what they saw and heard during the robbery. Call MANAGER and SUPERVISOR. Give police your full cooperation. Don't touch anything and DO NOT tell police or anyone the amount of cash taken as you really do not know the answer. DO NOT estimate cash loss. Tell police that the OWNERS will contact them with information. Call in the claim to '800 number' IMMEDIATELY, after conferring with your supervisor.

D. FIRE –

1. Remain calm.
2. Get crew away from fire area.
3. Turn off (if possible) the piece of equipment involved.
4. Turn off fan, if possible.
5. Smother flames with fire extinguisher by shooting at base of flames. (Caution: Do not breathe fumes).
6. If extinguisher won't extinguish flame, call fire dept. Immediately!
7. Before pulling ansel extinguisher try to vacate the building and close the store.
8. Call STORE MANAGER/SUPERVISOR. If fire dept. permits, clean up mess and prepare to reopen as soon as possible.
9. Remember, extinguisher powder should NOT be inhaled and exposed food and paper covered by dust MUST be thrown away. Record all labor hours used for clean-up purposes and all food and paper products destroyed.

E. ELECTRICAL FAILURE –

1. Close the store with Store manager or Supervisor approval only.
2. Turn off all grills and fryers.
3. Turn off air conditioner and refrigeration equipment.
4. Turn off most lights to prevent power overload when power is returned.
5. Find out from the electric company when power will be restored.
6. If power is off for an extended period, cut labor force,

- use remaining crew for cleaning.
 - 7. Do NOT open freezers & refrigerators.
 - 8. Secure all cash in safe.
 - 9. If a brown-out or low voltage situation occurs, turn off all refrigeration equipment.
 - 10. If leaving store because of extended power outage, turn refrigeration equipment BACK ON BEFORE LEAVING.
- F. WATER CUT OFF –
- 1. Turn off drink system – it needs water to operate and the pumps will burn up if allowed to run.
 - 2. Turn off the ice machine.
 - 3. Turn off the coffee maker.
 - 4. Turn off all steamers.
 - 5. Check for occupants and lock restrooms.
 - 6. Alert Store Manager/Supervisor.
- I. GAS LEAK –
- 1. If you smell gas at any time, find the leak and call the MANAGER.
 - 2. If there is a major leak, shut off the gas to that piece of equipment. Also, turn off electrical equipment because a spark could cause an explosion. Get crew and customers out of store and off lot. Call fire department from an outside telephone.
 - 3. Alert MANAGER/SUPERVISOR.
- J. INSPECTIONS AND HOW TO HANDLE-
 Inspections or visits by Government officials or any non-employee, repairmen, meter readers!
- 1. Check I.D. of anyone who wants access behind the counter. All government and McDonald's people will have I.D. All others – check driver's license.
 - 2. After checking I.D. and obtaining purpose of visit, call your STORE MANAGER OR SUPERVISOR. If unable to contact your STORE MANAGER OR SUPERVISOR, call the office.
 - 3. Proceed to appropriate category.
 - A. HEALTH INSPECTOR –
 Be polite and accompany them. Make written notes of what is said or indicated. Remember the Health Inspector is allowed to come into your store! Do not show sales figures.
 - B. REPAIRMEN AND METER READERS:
 If you are unsure of his visit, don't let them in until you've contacted the STORE MANAGER and SUPERVISOR.

C. IMMIGRATION AND NATURALIZATION SERVICE (I.N.S.) –

- Be polite.
- CALL OFFICE IMMEDIATELY.
- They cannot come behind the counter.
- Keep crew calm.
- Watch carefully, note what is happening.
- Make statements afterwards in writing.

D. FEDERAL OR STATE WAGE & HOUR INSPECTORS, EEOC INSPECTORS, SCHOOL OFFICIALS-

Again, be polite and ask them to come back at a less busy time when the STORE MANAGER is there!

- do not answer questions.
- do not show any records.
- tell them you don't know where or what is they need.
- continue to contact your STORE MANAGER and SUPERVISOR.

4. Remember, anyone coming into your store behind the counter MUST be accompanied by a member of management.

VIII. CASH POLICY, COUNTING & CASH CONTROL

The strict enforcement of the cash policies by all members of management is of the utmost importance. The following is a list of the major cash policies, which MUST be adhered to.

1. CASH DRAWERS –

Every time an employee is assigned to a cash station, that employee must count the money in a “clean” drawer to verify how much they started with this amount must be signed for on the cash register accounting form which is then placed in the employees cash drawer. All monies added to or removed from the cash drawer must be done so by the employee who is working the cash drawer. The employee is responsible for the cash in their cash drawer.

Skims – follow these steps.

1. Ask the employee to remove and count the money, which will go into the skim envelope, and hand the money to you.
2. The employee then signs the cash register accounting form, and records how much they counted.

3. The manager recounts the money and also signs the cash register accounting form.
 4. Both the employee and the manager must sign and correctly fill in the line on the drop recap sheet.
 5. No one removes money from a cash drawer except the employee working that drawer.
2. CLOSING DOWN A CASH DRAWER -
 When the employee is off, a manager opens their drawer in the employee's presence. The employee removes all monies from the drawer including what is underneath and takes it to the back to count.

After the employee has counted their bank and prepared a cash drop, the manager recounts the drop and the cash drawer to verify. Both employee and manager now sign and document the cash drawer accounting sheet, the drop envelope and the drop recap sheet.

Now the manager checks the promo coupons and refunds to make sure they match the dollar totals on the new bank. The manager must also check deletions/total reductions to be sure they are not excessive, compared to the norm of the store or organizational policy.

Next the manager documents cash difference and promo difference on cash sheet/ the total of these two difference equals the total cash difference. Document this on the cash +/- chart.

- a. If an employee's cash drawer total difference is \$2.00 or more, you must fill out an "employee performance notice" and have the employee sign it as soon as possible.
- b. During any four month period employees are allowed two occurrences of a total difference of \$2.00 or more they will be placed on a thirty-day probationary period. (It is recommended that another work station be suggested after the second occurrence).
- c. If, during the probationary period, the employee has a total difference of \$2.00 or more, the employee will be terminated. Only one probationary period is allowed per twelve month period.
- d. Documentation of cash statistics is mandatory. The following documentations must be done each time a cash drawer is counted down.
 - 1)The daily cash envelope
 - employee name
 - cash difference
 - promo difference
 - total difference
 - deletions/dollar amount

- 2) Daily drop recap sheet
 - employee signature and amount
 - verifiers signature and amount
 - drop numbers and source

- 3) Cash controls chart

- 4) Individual cash drawer accounting form
 - this must be documented thoroughly

- e. You must count BUB before and after each shift and document same on the daily cash sheet.
- f. Redeemed gift certificates must be handled like cash. After counting down the drawer, gift certificates must be recorded on the cash sheet, stamped with the “void” stamp immediately and placed in the safe.
- g. Skimming of overages of any amount from BUB or cash drawers will result in immediate termination.
- h. Any cash loss that exceeds \$20.00 may result in termination.

SAFE/CASH CONTROL-

- a. NEVER leave the safe on day lock!
 - b. If you are the designated cash or safe controller all monies in the store at that time are your responsibility.
3. REFUND SLIPS are to be signed by a MANAGEMENT person immediately – ‘as they occur’. If you are not called over to see the refund, do not sign the slip. However, write on reverse side of refund slip a brief explanation. If employee violates refund policy the employee must be “documented” (1st time warning, 2nd time termination).
4. Redemption of BOG’s should be handled as follows:
- Only redeem 3 BOG’s from a Lutito Store per customer and only 2 from a non-Lutito store per customer. Redemption of any coupon will be treated the same as above. Void BOG/coupon by tearing in half, and saving that part that states the food item given away and the add-on amount of the purchase.

IX. LOITERING

DEFINITION: Loitering is “being on the lot or in the building for any reason other than getting a paycheck or coming to or leaving work within 10 minutes of a work shift”. Employees may be in the store as a customer if they buy food in a normal fashion and leave promptly after consuming food. Loitering also includes talking to working crew while in line or at counter cut, and/or meeting people for social functions in store.

Use of drugs or alcohol on premises by employees during working hours as a customer is not permitted. Use of drugs or alcohol while in a McDonald’s uniform will not be tolerated. A management person contributing to the delinquency of a minor will be severely disciplined.

Employee violations are to be documented on an “employees performance notice” and signed by the employee who violates the rule.

X. SAFETY – SECURITY/PRIVACY

1. TELEPHONE ETIQUETTE – always answer the phone with, Good Morning, Afternoon or Evening, McDonald’s may I help you?
2. TELEPHONE SECURITY – when answering the telephone please give only your first name – be pleasant and professional. Do not give out names of Owners, Supervisors or Store Managers. If an Owner or Supervisor is asked for, please have them call the office and leave a message. Never offer Manager/Supervisor/Owner names. DO NOT allow the business phone to be used for personal use. The manager in charge may use the office phone for personal ‘emergency’ calls up to 5 minutes. Abuses will be documented.

What is a personal emergency call?

1. Checking up on your child/babysitter.
2. Informing your family or friends you are running overtime at work.

3. Calling a doctor regarding a family member.
4. Car problems.
5. Any home emergencies.

What is NOT and emergency call.

1. Chatting with your boyfriend/girlfriend.
2. Calling friends to invite to a party.
3. Calling car dealers/stores to check prices.
4. Calls out of the County if you do not live in that county.

Non-Emergency calls:

1. Please call from home on your own time
Do not leave floor if you are 'the' manager in charge to use the crew phone. Do NOT give numbers/sales figures to anyone on phone. Only the Store Manager can give sales figures and stats by telephone. The Store Manager, Administrative Assistant, or bookkeepers can only give sales figures to our Office, the Supervisors, the Owner or our Business Consultant.
2. NO JOB REFERENCES are to be given on the phone. Ask caller to send a job reference form to our office.
3. Basement or stockroom must remain locked at all times. Do NOT give store key to any crew member. You must open the door, then wait and see that the person exits stock room before relocking. The same applies to the freezer. To speed up operation, you should help remove stock from the locked area.
4. All MANAGEMENT people are responsible for the stockroom organization and cleanliness, All Store keys must be kept on your personal key chain.
5. All deliveries must be checked and SIGNED by a member of the SALARIED MANAGEMENT team, preferably the food cost manager. Verify all counts and condition of product immediately upon receiving delivery. If any item is missing or damaged call for credit and note on invoice.
6. On grocery/paper delivery the stock must be placed in stockroom within approximately 2 hours. No Food or bun deliveries will be accepted between 11:30a.m. and 1:30p.m.
7. We do not allow trading of our food with other restaurants (Big Macs for pizzas, etc.).
8. Cover dial on safe when opening. This prevents others from

obtaining combination. Safe must be locked at all times. No “DAY LOCK”.

9. Manuals are not to leave the store without authorization: this includes MDP Volumes unless a supervisor gives approval.
10. Duplication of any store keys is NOT allowed – only a Owner may duplicate a key. If you lose a store key inform a member of the Management Team – failure to do so can result in termination.
11. As a closing MANAGER – just before you leave, check to see safes are locked then check all doors from the inside. Termination can result from leaving a safe unlocked. Send someone into each restroom and open each stall door. Also make sure all air conditioning and fans are off. A MANAGEMENT person should remain inside the dining room as the other closers get in their cars and start their engines. Then the closers must watch as the MANAGEMENT person goes to his/her car and starts his/her engine. (NOTE: If your store is so equipped, the alarm must be turned on as you leave!).
12. UNDESIRABLES – It is the responsibility of the ‘Manager in Charge’ to see to the safety and security of our customers and employees. 1) We do not permit a customer to ask another customer for money or food. 2) We do not permit a customer to rummage through our trash. 3) We do not permit a customer to sell items/products to other customers on the premises. 4) We do not permit a customer to loiter, either inside or outside of the store. Any off-duty employee is considered a customer.

If any of the above situations occur, you, as the Manager, must take action and order this person off the store premises. If she/he refuses to leave or acts belligerent, call the police! Press charges if necessary. Please do not hesitate calling your Store Manager, Supervisor or Owner for advice.

XI. PERSONNEL PRACTICES

1. BREAKS:

All hourly-paid employees (including swings and Assistant Manager/Trainee) MUST be given “breaks” as per schedule below.

| | | |
|--------------------|---|-----------------------------|
| 3.49 hours & less | = | no break |
| 3.50 – 4.99 hours | = | 10 minute paid break |
| 5.00 – 6.00 hours | = | 15 minute paid break |
| 6.01 hours or more | = | 1 (30 minute unpaid break). |

2. SWING MANAGEMENT PERFORMANCE REVIEW:

Performance reviews will be given every six months and wage reviews annually. All Swing Performance Reviews will be given in same time period so that SUPERVISORS can review and add input. If you are promoted to Swing a few months after the review period you will be given a pro-rata share of total raise earned. Raises will be as follows:

| | <u>rating</u> | <u>raise</u> |
|---|-------------------|--------------|
| 4 | excellent | .50 |
| 3 | good | .35 |
| 2 | average | .15 |
| 1 | needs improvement | 0 |

IN THE EVENT OF A TOP-OUT SITUATION, CONSULT YOUR SUPERVISOR.

MANAGEMENT IS RESPONSIBLE FOR ENFORCING ALL LABOR LAWS:

** Rules vary by State**

- A. Minors are NOT to work past 11:00p.m. (Sun. thru Thurs.).
- B. Minors CANNOT work more than four work hours on a school day, unless on work experience or if school day is followed by a non-school day.
- C. Minors on work experience can work can work until 12:30am – NOT A MINUTE LONGER.
- D. During summer, holidays and week-end minors can work an eight-hour shift ending no later than 12:30am.

- E. Minors CANNOT work more than six days in any one week, during school year or during vacation period.
- F. Do not work anyone a seventh day in our workweek. Our work week starts on Monday opening and ends on Sunday closing. Please check Your STORE Manager's availability sheets before calling someone in to cover a shift to ensure that a person doesn't work seven days straight in OUR work week.
- G. Consult employees work permit for verification of hours allowed.
- H. 'Hours paid' will be paid on the day your work shift begins.

3. TERMINATIONS:

A. INVOLUNTARY TERMINATIONS: EXIT INTERVIEWS must be handled by STORE MANAGER and a SUPERVISOR or OWNER. EXIT INTERVIEWS must be signed by the employee or a witness at bottom of EXIT INTERVIEW. When EXIT INTERVIEW contains statements by the MANAGER that the employee is being terminated for any form of dishonesty, a SIGNED STATEMENT by a witness must be attached to the exit interview and if possible, two signed witness statements. BEFORE terminations, the STORE MANAGER must obtain the signature of SUPERVISOR or OWNER on employee termination sheet. Paychecks for involuntary terminations must be given to employee within 72 hours . THIS IS THE LAW!

B. INVOLUNTARY TERMINATIONS (no advance notice)

****AREA SUPERVISORS or Owners ONLY****

The law states that we have 72 hours to deliver a paycheck to the terminated employee. Therefore, you must call the office immediately when notice of termination is given. Verify the employee's latest address on the exit interview and tell the employee the paycheck can be picked up at his/her store of employment. Please tell employee to bring in all uniforms when he/she picks up their check. After 72 hours the paycheck MUST be returned to our business office for mailing.

C. VOLUNTARY TERMINATIONS (with advance notice)

A check must be issued at the end of his work shift if 72 hours notice has been given. Therefore, it is imperative that no voluntary termination, if notice was given, be on a Saturday, Sunday or a holiday because our office is closed and cannot produce a check! A paycheck must be issued at the end of the employee's shift on his last day, which means he must work exactly the hours scheduled on the last day.

D. All prepays must be handled through our office. Do NOT pay an employee for time worked from petty cash. All employees must be listed on our payroll computer sheet, even if the employee worked as little as one hour in the pay period and is terminated. Please double check for proper time and that the check is signed.

E. Employees away from work on sick leave or vacation – Hold paycheck at store until pay period ends. Return to the office with roster.

F. No more than 1 week 'prior notice' of a voluntary termination will be accepted from any employee, hourly paid or salaried.

G. If an employee is away from work and is not eligible for S.D.I., job incurred injury, jury duty, temporary active duty in the armed forces of the U.S., or government or court-ordered temporary absence, the EMPLOYEE WILL BE TERMINATED after two consecutive pay periods have passed with no work hours to employee's credit. This two pay-period limit includes adjacent vacation time. Official termination date will be the work day of the second consecutive pay period without work hours.

VII. TIME punches – SCHEDULES

It is the responsibility of the Management to verify punches DAILY. All check-ins and check-outs must match the daily schedule.

All employees scheduled to work shifts of more than 6 hours must clock out for a 30-minute unpaid break.

If the check-in or check-out time differs by more than 3/100 of an hour, manager approval must be noted as follows: (Schedule change – Manager’s initials) ON SCHEDULE. If no extension was given to employee for extra time, the manager in charge must get employee to sign, not initial, the removal of extra, unapproved time and manager must initial next to the employee signature. If the employee refuses to sign, write the employee up for violation of company policy.

If an employee is scheduled to work more than 6 hours checks out without taking a 30-minute break, employees must be questioned at ‘check-out’ time about this matter. Please follow the following guidelines listed below:

| NO 30 MINUTE CLOCK OUT FOR SCHEDULE OF MORE THAN 6 HOURS | TIME punch | ADDITIONAL DOCUMENTATION |
|---|--|---|
| 1. EMPLOYEE TOOK BREAK DID NOT CLOCK OUT. | 1. ADJUST TIME CARD. GIVE REASON. EMPLOYEE & MANAGER SIGN TIMECARD. | 1. COMPANY WRITE UP SHEET. COPY TO EMPLOYEE. |
| 2. EMPLOYEE DID NOT TAKE BREAK – NO MGR. APPROVAL | 2. WRITE NO NO MANAGER APPROVAL MGR. & EMP SIGN TIMECARD | 2. COMPANY WRITE UP SHEET. COPY COPY TO EMPLOYEE |
| 3. EMPLOYEE DID NOT TAKE BREAK WITH MANAGER APPROVAL. | 3. WRITE NO BREAK OK – EMERGENCY – ON TIME TIME CARD. MANAGER SIGN TIME CARD. | |

Schedules are to be posted at least (7) days in advance – avoid scheduling overtime.

XIII. COMPANY POLICIES RE:

1. PERSONAL PROPERTY - Radios and tape recorders are not permitted outside the crew room at any time.... This includes opening and closing work hours. Also, WE ARE NOT RESPONSIBLE for damaged or missing employee’s personal property stored on premises during employee’s work shift. Do not permit any employee to bring any pouch like container (i.e., backpack, ladies handbag, into the store through the counter cut. We, the MANAGEMENT, reserve the right to ask an employee to

remove such containers from the premises on his/her own time. (Ask if the employee has clocked in – employee must then ‘clock out’ when removing questionable pouch). No member of the Management shall take into safe keeping in our office or safe any personal property for any employee; if you do you will be personally responsible for said property.

2. TELEPHONES- Manager-desk telephone is for business use only. All employees, Management and crew, must use the downstairs/backroom telephone when making personal telephone calls. Management may use the Manager-desk only for a short personal call that is an emergency. What is a short, personal, emergency call? A call that is less than 2 minutes – a call that is related to work or your family welfare.
3. No member of management may lend store money to any employee. No member of management may use store money for personal reasons.
4. EMPLOYEE RECORDS- all employee records are private. And employee may see his/her records any time during his/her employment in the presence of a SALARIED MANAGEMENT person. However, an employee must not have access to another employee’s records. Please take necessary steps to keep employee records private. Phone numbers or addresses of employees are not to be given out to customers or other employees.
5. PRIVACY AND DISCRETION- When an employee is discharged for any reason, it is AGAINST company policy for any member of our MANAGEMENT team that has access to employee records to discuss said matter or to use names of employees or to show employee file to anyone but our MANAGEMENT team.
6. PAYCHECK INFORMATION- Paychecks are to be distributed by a member of the MANAGEMENT team ONLY. Do not give out an employee paycheck until employee has signed the payroll roster sheet. This includes every member of the management team. Pay checks are available for pick up between After 2 pm. Paychecks are to be given ONLY to employee whose name is on paycheck. DO NOT give a paycheck to a friend of the employee (even if friend is also an employee). DO NOT give the paycheck to a parent, brother, sister or spouse of employee. Any employee who wishes that his/her

paycheck through a second party must request this in writing and signature must match the signature on application or W-4 form in the office. ONLY the Supervisor may handle this type of request and the note must be in the employee's file.

Telephone requests for paychecks to be given to a second party (even if you recognize the voice) CANNOT be honored. Please refer all paycheck distribution problems or any payroll problem to our office. We will make the final decision.

7. Inter-store transfers: when you are transferred to another store, it is your responsibility to alert your new store manager of your upcoming vacation plans because your new manager may not be able to honor your request for planned time off because of prior commitments.

Online Communications Policy for Restaurant Employees of this Independent Owner Operator

If you participate in online conversations about any McDonald's, its employees, customers or products, it is important that you do it in a way that is safe, appropriate and legal. The intent of this Policy is not to restrict the flow of useful and appropriate information, but to minimize the risk to you, your coworkers and to this McDonald's and the McDonald's Brand.

Know the Rules

- Do follow the policies in the handbook and the policies displayed in your restaurant. ○ Managers must exercise caution and sound judgment if interacting with subordinates on Facebook or similar social media sites. Participating in such forums with subordinates may increase the potential to violate these rules and policies. For example, it may not be sound judgment for Managers to "friend" minor employees under the age of 18.
- Managers should not use Facebook, or other external websites for work-related communications.
- Do think about what you will say and about disclosing your personal details. Correct any mistakes that you make. You post material at your own risk and you are personally responsible for the content of your communications.
- Do respect your coworkers' privacy. Do not share in any online communications personal health information about your coworkers or any identifiable information that may raise a security issue. This does not prohibit you, however, from disclosing or discussing personal, confidential information with others, so long as you did not come into possession of such information as part of your formal company duties.
- Because we want to provide 100% customer satisfaction, during working time do not use your cell phone for personal use or to engage in personal online communications. You may participate in any social media platform sponsored by McDonald's.

- Do make it clear that you are an employee of this McDonald's and that your views and opinions are yours and not those of this and/or any other McDonald's when you participate in any online communications or blog discussing McDonald's.
- Do avoid posting or texting statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating (such as posts that include discriminatory remarks or content, harassment and threats of violence or similar inappropriate or unlawful conduct).
- Do comply with all copyright, trademark, trade secret, right of publicity and other intellectual property laws in your online communications. If you use McDonald's trademarks or logos in online conversations, do not use them in any way that suggests McDonald's sponsors, endorses, or is otherwise affiliated with your statements.
- Do not disclose or post trade secrets or other confidential information of any McDonald's. This may include, for example, methods or processes, sales figures, guest counts, business plans, how food or marketing promotions are doing, and any other similar internal business-related confidential information or communications.

Remember If you fail to follow these policies, it may result in disciplinary action, up to and including termination.

Questions If you have questions regarding this policy, contact your restaurant manager or your Owner/Operator.

Lutito Organization Driver Policy

All authorized travel time spent driving an automobile on company business is treated as work hours. An employee will receive his or her regular hourly rate for all travel time spent as the driver of an automobile, and this time will be factored into overtime calculations.

Employees assigned to driving duties ("drivers") must at all times meet the following criteria:

- drivers must have a current valid driver's license;
- drivers must maintain a clean driving record, i.e., must remain insurable; and
- drivers must maintain auto insurance on their vehicle if a personal vehicle is used for Company business.

Any employee driving a company vehicle or in a personal vehicle on company business must observe all safety, traffic, and criminal laws of this state. No driver may consume alcohol or illegal drugs while driving on company business, while in a company vehicle, or prior to the employee's shift if such consumption would result in a detectable amount of alcohol or illegal drugs being present in the employee's system

while on duty. In addition, no driver may consume or use any substance, regardless of legality or prescription status, if by so doing, the driver's ability to safely operate a motor vehicle and carry out other work-related duties would be impaired or diminished. No driver may pick up or transport non-employees on a company vehicle or while driving on company business, unless there is a work-related need to do so. Any illegal, dangerous, or other conduct while driving that would tend to place the lives or property of others at risk is prohibited.

All accidents in company vehicles and accidents in personal vehicles while on company business, regardless of severity, must be reported to the Area Supervisor. Accidents are to be reported immediately (from the scene, during the same day, or as soon as practicable if immediate or same day reporting is not possible). Failing to stop after an accident and/or failure to report an accident may result in disciplinary action, up to and including termination of employment.

Drivers must report all ticket violations received during the operation of a company vehicle, or while driving a personal vehicle on company business, within 72 hours to the Area Supervisor.

Any driver who violates any part of this policy will be subject to disciplinary action, up to and possibly including termination from employment.

XVI. DOCUMENTATION POLICY

A Shift Manager must communicate to a salaried Management person any violations of company policy in this book. This can be done by a Management log or other form, preferably verbal. The SALARIED MANAGER will fill out employee documentation on an "employee performance notice". Please refer 'ALL' documentation write ups to your Store Manager.

If you have any doubt or question about when or who to document please ask your store manager, if not available ask your supervisor. Only a store manager can issue a final warning on documentation.

SALARIED UPPER MANAGEMENT

Being a Shift Manager is the first step in a MANAGEMENT career at McDONALD'S. Moving into upper Management at a store requires a total commitment to the policies and procedures that have made McDonald's number 'ONE' in the fast food industry.

If you have such a commitment and an interest in advancing in our company, please contact your Supervisor. You will be interviewed by your STORE MANAGER and SUPERVISOR and must meet certain requirements. These requirements include availability – you must be flexible to the store's and/or manager's needs. Also, you must be available to close/open a minimum of three days a week (that doesn't mean you will always work closing shifts 3 days a week). You must be available to work on Friday, Saturday and Sunday, probably 2 of 3 and 1 being a closing shift. If a transfer is necessary, it will be required that you transfer to any of our other stores in the surrounding area. We would like you to have transportation available to you every day of your workweek schedule.

A great deal of additional training will be required of you in order to become an Assistant Manager. You must complete both System Management books, passing all tests and meeting all requirements set up by your SUPERVISORS and MANAGERS. A security interview may be expected at ALL stages of advancement within our MANAGEMENT team.

Management bonuses are pro-rated when a promotion occurs during a bonus-quarter. No bonus will be paid to a Management person who terminates before the bonus quarter ends.

Essentially, your career advancement at McDonald's is up to you. You will go as far as you want. Your hard work and perseverance will carry you from position to position. We are always looking for good people to move up our MANAGEMENT ladder.

Employee acknowledges that as an employee of McDonald's, he/she will be free to resign at any time for any reason, and McDonald's similarly retains the right to terminate any employee's employment at will. No McDonald's representative has the authority to make any contrary agreement.

THANK YOU AND GOOD LUCK!!

UPDATING OF HANDBOOK

McDonald's reserves the right to modify the policies in this Management Handbook at any time and these policies do not create contractual obligations. Changes in policy will be passed on to you at the earliest possible time.

NEW LAWS

Nothing in this handbook shall be interpreted to be in violation of State or Federal law.

-----CUT-----CUT-----CUT-----CUT-----

LUTITO/McDONALD'S MANAGEMENT HANDBOOK 'RECEIPT'

Jan 2017

MANAGER SIGNATURE

MANAGER NAME (PRINTED)

DATE

STORE

