



Expo

Exposition Metro Line
Construction Authority

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BuildExpo.org

**REVISED
6.c**

DATE: JANUARY 12, 2006

TO: BOARD OF DIRECTORS

**FROM: RICHARD D. THORPE
INTERIM CHIEF EXECUTIVE OFFICER**

ACTION: APPROVE PERSONNEL POLICY AND EMPLOYEE MANUAL

RECOMMENDATION

Approve the Exposition Metro Line Construction Authority Policy and Procedure Manual for all employees.

SUMMARY

This Personnel Policy and Employee handbook is intended to provide employees with information about working conditions, employee benefits and policies affecting employment at the Exposition Metro Line Construction Authority.

DISCUSSION

The policies and procedures detailed in this manual are consistent with applicable state and federal laws and with similar public agencies. The manual contains the Authority's policies on employee ethics, benefits, workplace conditions and work rules. All employees will be presented with this handbook when hired and will be expected to follow the policies and procedures contained herein.

The handbook outlines the rights and responsibilities of both employees and the Authority as they pertain to safety, conduct, and condition of the workplace. The manual also provides information on employee benefits, including health and workers compensation insurance, as well as various leave and termination policies and procedures. The policies and procedures contained in this manual are designed to benefit the employee and the Authority by producing a productive work environment.

While no employee handbook can anticipate every circumstance or question about policy, this policy attempts to address the vast majority of potential issues. The Board can also amend the handbook as new policies or procedures are identified. Employees will be notified of any changes as they occur.

FINANCIAL IMPACT

None

ATTACHMENT(S)

- A. Personnel Policy and Employee Manual



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SECTION 1 CONDITIONS OF EMPLOYMENT

100 INTRODUCTION

This employee handbook is intended to serve as a guide to many questions employees may have about their employment with the Exposition Metro Line Construction Authority (“Authority”). It is not intended to cover all issues regarding your employment and it is not intended to be a binding contract.

This handbook is designed to acquaint you with the Exposition Metro Line Construction Authority and provide you with information about working conditions, employee benefits, and the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by the Exposition Metro Line Construction Authority to benefit employees.

As the Exposition Metro Line Construction Authority continues to grow, the Authority reserves the right, in its sole and absolute discretion, to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate. Employees will be notified of changes to the handbook as they occur. The only recognized revisions of these policies are those in writing.

Senate Bill 504, which was passed by the State legislature in 2003 and went into effect in January 2004, created the Exposition Metro Line Construction Authority. The Authority is tasked with planning, design and construction of the Los Angeles-Exposition Metro Line light rail project from downtown Los Angeles to the City of Santa Monica.

101 EMPLOYEE RELATIONS

The Exposition Metro Line Construction Authority provides fair working conditions, wages, and benefits to its employees. If employees have any concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

102 EQUAL EMPLOYMENT OPPORTUNITY

The Exposition Metro Line Construction Authority is an equal employment opportunity employer and will consider all qualified applicants for employment or advancement opportunities without regard to race, color, religion, sex, national origin, sexual orientation, disability, veteran status, or any other characteristic protected by law. Employment related decisions will be based on merit, qualifications, and abilities.

The Exposition Metro Line Construction Authority will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship on the employer. All requests for reasonable accommodation are considered on a case-by-case basis.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or the Authority's Chief Executive Officer. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

103 CODE OF ETHICS

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which Authority employees must operate. The purpose of these guidelines is to provide general direction. Employees should seek further clarification on specific issues related to the subject of acceptable standards of operation.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a member of their immediate family as a result of the Authority's decisions and/or business dealings.

For the purposes of this policy, immediate family includes persons related by blood or marriage or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Personal gain may result when an employee or relative receives anything of value or the promise or offer of anything of value including, but not limited to: a kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving the organization.

No presumption of conflict is created by the mere existence of a relationship with outside firms. However, if an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative that he or she discloses to his or her superiors as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

The Chief Executive Officer will designate which Authority employees will be required to complete the California Fair Political Practices Commission Form 700 (Statement of Economic Interests).

104 OUTSIDE EMPLOYMENT

Employees are not prohibited from holding outside jobs, but their first obligation is to meet the performance standards of their job with the Exposition Metro Line Construction Authority. All employees will be judged by the same performance standards and will be subject to the Authority's scheduling demands, regardless of any outside work. Any Authority employee wishing to have outside employment must request approval from the Chief Executive Officer, citing the nature of the work and the extent of time commitment.

If the Authority determines that an employee's outside work interferes with performance or the ability to meet requirements, the employee may be asked to terminate the outside employment if he/she wishes to remain employed by the Authority.

Outside employment, which presents a conflict of interest, is prohibited, and may result in disciplinary action up to and including termination. Employees may not receive any income or material gain from individuals outside the Authority for materials produced or services rendered while performing their jobs.

105 NON-DISCLOSURE

The protection of confidential information is vital. Any employee, who discloses confidential information without appropriate authorization, may be subject to disciplinary action up to and including termination, even if he/she does not actually benefit from the disclosed information.

SECTION 2 EMPLOYMENT STATUS

200 EMPLOYMENT CATEGORIES

It is the intent of the Exposition Metro Line Construction Authority to clarify the definitions of employment classifications so that employees understand their employment status and eligibility for benefits.

Employees of the Exposition Metro Line Construction Authority are at will. At will employees serve at the pleasure of the hiring authority, and are appointed and removed by the Chief Executive Officer. Employees are not subject to probationary periods and employment may be terminated by the employee or employer at any time, with or without cause or advance notice. ~~Employees are exempt from federal and state wage and hour laws.~~

In addition, employees are classified in the following categories:

REGULAR FULL-TIME:

Regularly scheduled to work forty (40) hours per week. Generally, employees are eligible for the Authority's benefit package, subject to terms, conditions, and limitations of each benefit program, plus legally mandated benefits, such as Worker's Compensation.

REGULAR PART-TIME:

Regularly scheduled to work less than thirty-three (33) hours per week. Employees in this category receive legally mandated benefits, such as workers compensation, and may be eligible for some benefits where specified.

TEMPORARY:

Hired as interim replacements to temporarily supplement the work force, or to assist in the completion of a specific project. Temporary employees will work the hours as required by the position. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in status. Employees in this category receive legally mandated benefits, such as workers compensation, but are otherwise ineligible for all other benefits.

CONTRACT:

An employee hired as part of a specific project or assignment(s) and subject to release after completion of assignment(s). A contract employee may be hired by a consultant of the Exposition Metro Line Construction Authority and therefore would not qualify for benefits offered employees of the Authority.

INTERN:

Offered to students. Internships are available to provide valuable work experience and assist staff in carrying out their duties.

201 ACCESS TO PERSONNEL FILES

The Exposition Metro Line Construction maintains a personnel file on each employee. The personnel file may include such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of the Authority and shall be maintained by the employer. Access to the information contained therein is restricted, as permitted by law. Only supervisors and management personnel of the Authority who have a legitimate reason to review information in a file are allowed to do so.

With reasonable advance notice, an employee may review material in their own personnel file in the Authority's offices and in the presence of an individual appointed by the employer to maintain the file.

202 PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify the employer of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other pertinent information, should be accurate and current at all times.

The Exposition Metro Line Construction Authority relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring and employment process. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in exclusion of the

individual from further consideration for employment or, if the individual has been hired, termination of employment.

203 PERFORMANCE EVALUATION

Employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis with their supervisors. Performance evaluations are scheduled at least once annually. Additional formal performance reviews may be conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Merit-based pay adjustments and cost of living adjustments are awarded at the discretion of the Authority. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by the performance evaluation process and in accordance with the salary administration guidelines.

204 EMPLOYEE RELOCATION

New hires are eligible for relocation assistance upon approval by the CEO.

SECTION 3 BENEFITS

300 HEALTH & LIFE INSURANCE

Medical, dental and vision coverage are available to eligible employees and their eligible dependents. Employees may waive coverage if covered under another group health plan; proof of coverage must be provided. If coverage is waived, employee is eligible for a monthly payroll credit as determined by the CEO, not to exceed the actual cost to the Authority.

Workers Compensation, disability and unemployment compensation covers employees in the manner prescribed by law. Long Term Disability and term line insurance is also available to employees. Some Authority benefits may require a co-payment or contribution from the employee as established by the Authority Board of Directors. Employee's contribution premiums will be deducted from the employee's paychecks monthly.

301 WORKERS' COMPENSATION INSURANCE

The employer provides workers' compensation for all employees, at no cost to employees, in accordance with state law for injury or illness arising out of and during the course of employment.

Any employee who sustains a work-related injury or illness should inform his or her supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported.

Neither the Exposition Metro Line Construction Authority nor the insurance carrier will be liable for the payment of workers compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic event sponsored by the Authority.

302 HOLIDAYS

Regular full-time employees will receive the following paid holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve Day
- Christmas Day

303 LEAVE TIME OFF BENEFITS

Employees may receive paid time off for vacation, illness, injuries, medical/dental appointments, religious holidays, personal business, and emergencies as follows:

Years 1-4:	25 days (8hr days)
Years 5-beyond:	30 days (8hr days)

Unused leave may be cashed out annually, upon approval by the CEO, provided employees use a minimum of 10 days (80 hours) within the year. Maximum accrued leave is 580 hours.

Reporting Off-Work Because Of Illness Or Injury

Any employee who is unable to report to work due to an illness or injury should notify the supervisor or other designated person by telephone or other means of communication prior to the scheduled reporting time for work on the first day of absence unless emergency conditions make it impossible, as determined by the responsible supervisor. The supervisor should also be contacted each additional day of absence.

304 OTHER BENEFITS

Full-time employees are also eligible for benefits as adopted by the Exposition Metro Line Construction Board at the October 12, 2005 Board meeting, including a transportation subsidy, 457 Deferred Compensation Plan and Pension benefits. Each employee will be enrolled in a pension plan. Any changes to the benefit program would need to come before the Exposition Metro Line Construction Board for approval.

305 FAMILY AND MEDICAL LEAVE

The Exposition Metro Line Construction Authority provides family leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child; or to care for a child, spouse, or parent with a serious health condition, or the employee's own *serious health condition*.

*Definition:

A *serious health condition* means an illness, injury, impairment, or physical or mental condition that involves in-patient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Employees meeting the following criteria may request family leave as described in this policy:

- Must have worked for Exposition Metro Line Construction Authority for at least twelve (12) months during the year preceding the start of the leave; and,
- Must have worked a minimum of 1,250 hours during the year preceding the start of the leave;

Eligible employees should make requests for family leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Employees requesting family leave related to the serious health condition of a child, spouse, or parent may be required to submit a health care provider's statement verifying the need for a family leave to provide care, its beginning and expected ending dates, and the estimated time required.

Eligible employees may request up to a maximum of twelve (12) weeks of family leave within any twelve (12) month period. Any combination of family leave and medical leave may not exceed this maximum limit. If this initial period of absence proves insufficient, consideration will be given to a written request for a single extension of no more than ten (10) calendar days. Employees will be required to first use any accrued paid leave time before taking unpaid family leave.

Subject to the terms, conditions, and limitations of the applicable plans, the Exposition Metro Line Construction Authority will continue to provide health insurance benefits for the full period of the approved family leave.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

An employee on family leave is requested to provide the Authority with at least two weeks advance notice of the date the employee intends to return to work. When family leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified. If an employee fails to report to

work promptly at the end of the approved leave period, the Authority will assume that the employee has resigned.

306 BEREAVEMENT LEAVE

All employees shall be entitled to three, (3) days paid leave in the event of a death in the immediate family of the employee. The immediate family shall be defined as:

- Parents
- Grandparents
- Mother-In-Law/Father-In-Law
- Spouse
- Children
- Brothers /Sisters

All employees are entitled to bereavement leave and must notify the supervisor of intent to utilize up to three (3) days of paid bereavement leave for the death in the immediate family. Bereavement pay will be calculated based on the employee's regular pay rate times the number of hours the employee would otherwise have worked on the day(s) of absence. Upon request, special consideration may be given to any other person whose association with the employee was similar to any of the above relationships.

307 JURY DUTY LEAVE

The Exposition Metro Line Construction Authority encourages employees to fulfill their civic responsibilities by serving jury duty when required. Regular full-time and regular part-time employees may request jury duty leave. The Authority will pay employees for a maximum of 10 days per jury duty service. Jury duty pay will be calculated on the employee's regular pay rate times the number of hours the employee would otherwise have worked on the day of absence. However, should it be deemed necessary to serve beyond the maximum number of 10 paid days, the employee should notify the CEO in advance, who may exercise the option of extending the number of paid days.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits. Upon completion of jury duty service, the employee must furnish a Certificate to the employer from the Court showing dates served and amount of compensation paid. The Authority or employee may request to be excused from jury duty if the employee's absence would create serious operational duties for the Authority.

308 WITNESS DUTY LEAVE

Any employee will be granted unpaid time off for absence necessitated by a court subpoena. An employee may use vacation leave or a personal business day. If the employee has been subpoenaed as a witness of the employer as a result of a job-related event, he or she will receive paid leave.

The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

309 MILITARY LEAVE

All employees of the Exposition Metro Line Construction Authority who are members of the California National Guard or members of other reserve components of the armed forces of the United States, are entitled to leave of absence from their respective duties without loss of pay for such time as they are in the military service on field training or active duty periods not to exceed fifteen (15) calendar days in any one calendar year. There is no requirement that the service be in one continuous period of time.

1. The employee shall be required to submit to the CEO an order or statement from the appropriate military commander as evidence of such duty.
2. Members of the California National Guard or members of the other reserve components of the armed forces of the United States called to active duty shall be paid for up fifteen calendar days in one calendar year.

An employee who was appointed to a vacancy created by the entering of an incumbent to military service is holding that position on a temporary basis, unless the incumbent fails to apply for reinstatement within 90 days of discharge or makes written waiver of his rights to such position. An employee who re-enlists while on active duty, or a commissioned officer who voluntarily enters on extended active duty beyond that required upon accepting a commission, is not eligible for reinstatement.

SECTION 4 TERMINATION OF EMPLOYMENT

400 EMPLOYEE RESIGNATIONS

Employees who resign from the Authority are requested to give at least two weeks written notice prior to their final day of work.

401 EMPLOYEE DISCHARGE

Employees are at will and may be terminated for any reason in the discretion of the Authority. Without limiting the generality of this discretion, employees may be disciplined, including up to termination, for conduct, including by not limited to: Employees may be discharged as a result of:

- Misconduct
- Violation of law or Authority policies, procedures and work rules
- Conduct that discredits the Authority or employee's position
- Unsatisfactory job performance
- Other offenses

Final paychecks for discharge are issued on the last date worked. Supervisors will ensure all equipment data and Authority-issued property is returned before the last date

worked.

402 REDUCTIONS IN FORCE/SEVERANCE POLICY

The Exposition Metro Line Construction Authority may conduct reductions in force as a result of budgetary constraints, organizational restructuring or business necessity. The CEO determines the need for a Reduction in Force (RIF) and communicates the relevant RIF information to staff in a timely manner.

If a workforce reduction is required, the Executive Officer and the appropriate management staff will prepare a justification of the reduction in force recommendations. The employees will be notified that they are being laid off and they will be informed of their effective date of layoff and other relevant information. Employees who are laid off are subject to continuation of most benefits, which are paid from the effective date of the layoff until the date of final separation. Additional details are listed below:

Medical/Dental Insurance

Medical/dental insurance will continue from the effective date of layoff to the date of separation. An employee may elect to purchase up to 18 months of coverage under COBRA to commence after separation. If the employee elects this option, the employee must pay the full premium as prescribed by law.

Pension Plan

Pension plan participation will continue from the effective date of layoff to the date of separation. If an employee is not vested in a pension plan, employee contributions may be refunded following the date of separation, depending on the pension plan provisions. If the employee is vested on the effective date of layoff, he/she will be eligible to choose from options described in the applicable Pension booklet.

Flexible Spending Accounts Contributions

Contributions to flexible spending accounts will continue through the severance period. Following the severance period, an employee may elect to continue contributions under COBRA. However, at the request of the affected employee, contributions can be stopped, provided the employee notifies the Authority within 30 days after the effective date of layoff.

Benefits Which Cease With Effective Date of Reduction in Force

Sick and Vacation Time

Long Term Disability Insurance

Basic Severance Pay

Affected employees will receive two weeks of salary following their effective date of layoff.

Employees who are subject to Reduction in Force and who sign the Acknowledgment and Release Form will receive supplemental severance:

Employees with 3 years of service or less – 8 weeks supplemental pay

Employees with 3 years or more of service - 12 weeks of supplemental pay

Officers – 24 weeks of supplemental pay

SECTION 5 WORKPLACE RULES

500 SAFETY

Establishment and maintenance of a safe work environment is the shared responsibility of the Exposition Metro Line Construction Authority and employees from all levels of the organization. Employees are expected to obey safety rules and to exercise caution in all their work activities. They are asked to immediately report any unsafe conditions to their supervisor. Employees at all levels of the organization are expected to correct unsafe conditions as promptly as possible.

Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

All accidents that result in injury must be reported to the appropriate supervisor, regardless of how insignificant the injury may appear. Such reports are necessary to comply with laws and initiate insurance and Workers Compensation benefits procedures.

501 HOURS OF WORK

The work week for a full time exempt employee is 40 hours. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week, based on the Authority's work requirements.

502 OVERTIME

Authority employees are not eligible for paid overtime hours except with prior CEO approval.

503 BUSINESS USE OF PERSONAL VEHICLES

All Authority employees required to drive as a part of their regular job responsibilities on behalf of the company must provide the Authority with a copy of a valid California State License upon hire. In addition, upon his or her hire, a copy of a current DMV printout may also be required.

In most cases, employees will be expected to use their private vehicles to carry out their job responsibilities. Employees are required to carry the auto insurance required by State law. Should an employee's driving record disqualify him/her from being insured, it is the company's option not to continue said employee's employment should travel restrict the employee from performing the duties required.

Business use of personal vehicles will be reimbursed at the current IRS mileage reimbursement rate. For employees expected to use their vehicles extensively in the conduct of their job, the CEO can establish a monthly car allowance in lieu of mileage reimbursement. The allowance is based on assumptions that include but are not limited

to mileage, vehicle depreciation, cost of consumables and repair and cost of insurance. Each employee who receives an auto reimbursement must complete an auto allowance reimbursement form quarterly and any unaccounted for allowance will be reported as income.

SECTION 6 PAY

600 TIMEKEEPING

Accurately recording time worked is the responsibility of every employee. Federal and state laws require the employer to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

- 1) Employees must submit bi-weekly timesheets showing hours worked each day and where applicable, time to be charged to specific projects. Timesheets are due at noon of the pay period ending week.
- 2) Tampering, altering, or falsifying time records, or recording time on another employee's time record may result in disciplinary action, up to and including discharge.
- 3) It is the employee's responsibility to sign his or her time record to certify the accuracy of all time recorded. The supervisor will review and initial the time record before submitting it for payroll processing.
- 4) These records shall be retained for a minimum period of two calendar years.

601 PAYDAYS

All employees are paid every other week of each month. Each paycheck will include earnings for the previous two-week payroll period.

In the event that the regularly scheduled payday falls on a day off, weekend or a holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

Employees may have pay directly deposited into their bank account(s) if they provide advance written authorization to the Exposition Metro Line Construction Authority. Employees will receive an itemized statement of wages when the Authority makes direct deposits.

602 PAY DEDUCTIONS

The law requires that the Exposition Metro Line Construction Authority make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. Pay setoffs may be taken by the Authority to help pay off a debt or obligation as may be required by court order (i.e. garnishments, child-support).

Where applicable, co-payments for group benefits will be deducted from your paycheck.

603 SALARY ADMINISTRATION GUIDELINES

Employee salaries will be established and may periodically be reviewed for adjustment. The guidelines will include staff positions and salary ranges. The ranges are based on comparable positions at other public agencies similar in nature to the Authority. The ranges can be adjusted by the Board of Directors. New hires are compensated by a salary set by the CEO within the salary range of the position and based on prior experience, unique expertise and other factors as determined by the CEO.

Each fiscal year, in the submission of the budget, the CEO may request a cost of living adjustment based on a salary adjustment percentage. Additionally, the CEO may request a merit adjustment based on a salary adjustment percentage.

SECTION 7 EMPLOYEE CONDUCT

700 EMPLOYEE CONDUCT AND WORK RULES

To assure orderly operations and provide the best possible work environment, the Exposition Metro Line Construction Authority expects employees to follow rules of conduct that will protect the interests and safety of all employees and the Authority. It is not possible to list all the forms of behavior that are considered unacceptable in the work place, but the following are examples of infractions of rules of conduct that ***may*** result in disciplinary action, including suspension or termination of employment in accordance with applicable law:

- Theft or inappropriate removal or possession of property of the Authority or Authority employees.
- Falsification of time-keeping records
- Violation of the drug and alcohol policy
- Possession, distribution, sale, transfer, or use of alcoholic or illegal drugs in the work place, while on duty, or while operating employer owned vehicles or equipment
- Fighting or threatening violence in the work place
- Boisterous or disruptive activity in the work place
- Negligence or improper conduct leading to damage of the Authority property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Sexual or other unlawful harassment
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the work place
- Unauthorized use of Authority telephones, mail system, computers or other equipment
- Excessive absenteeism or any absence without notice
- Unsatisfactory performance or conduct

- Immoral conduct or indecency
- Violation of policies

Nothing herein is intended to alter the at will status of Authority employees. The Authority possesses the discretion to terminate any employee at any time.

701 DRUG AND ALCOHOL USE

The abuse of drugs and alcohol is a concern for all persons employed by the Exposition Metro Line Construction Authority as such substance abuse is detrimental to the employer and harmful to the health and welfare of the individual(s) involved. The purpose of this policy is to inform all employees of the Authority's position on the abuse of drugs and alcohol and to advise them of the possible sanctions and penalties that may be imposed for violations of this policy.

With these basic objectives in mind, the Authority has established the following rules regarding the use, possession or sale of drugs and/or alcohol.

Definitions:

"UNDER THE INFLUENCE" means that the employee has alcohol or mood altering drugs in his/her system and is affected by such alcohol or drug in any detectable manner, including but not limited to impaired performance of job duties and responsibilities.

The actual quantity of drugs or alcohol in the employee's system, which constitutes "under the influence" will vary from case-to-case and may be determined in consultation with medical authorities, when appropriate at work or while on the employer's property. Such use, possession, sale or influence may affect the safety of coworkers, members of the public or the employee's job performance.

"LEGAL DRUG" includes prescribed drugs and over-the-counter drugs which have been legally obtained and are being used for the purpose for which they were prescribed or manufactured.

"ILLEGAL DRUG" means any drug:

- (a) Which is not legally obtainable and where use, possession, or transfer is restricted or prohibited by law, or
- (b) Which is legally obtainable but has not been legally obtained

The term "illegal drugs" broadly refers to all forms of narcotics, depressants, stimulants, hallucinogens, cocaine, crack, amphetamines, or other drugs or preparations, which alter a person's physical or emotional state, including marijuana.

"SUBSTANCE ABUSE" is the unauthorized use of any drugs or alcohol or use in such quantity or frequency as to impair a person's mental or physical capacity.

Use, Possession, Or Sale Of Drugs Or Alcohol

- a) **Alcohol:** Alcohol use, possession, transfer, sale, purchase or being under the influence of alcohol is prohibited while at work or while on the employer's property. Such use, possession, sale or influence may affect the safety of coworkers, members of the public or the employee's job performance.
- b) **Legal drugs:** Except as provided below, the use of any legally obtained drug by any employee while at work or on the employer's property is prohibited to the extent such use may affect the safety of the employee, co-workers, members of the public or the employee's job performance. An employee may continue to work, even though under the Influence of a legal drug, if the Supervisor has determined that the employee does not pose a threat to his or her own safety, the safety of the public, or the safety of co-workers and that the employee's job performance is not significantly affected by the legal drug. Otherwise, the employee may be required to take a leave of absence or comply with other appropriate action. All employees are required to notify his/her supervisor about the use of any drug prescribed by a physician that may alter the employee's physical or emotional state.
- c) **Illegal drugs:** The use, sale, purchase, transfer, or possession of an illegal drug by any employee while at work or on the employer's property is prohibited. Such action may be reported to appropriate law enforcement officials and is cause for immediate termination.
- d) **Off-Premises Use Of Drugs and/or Alcohol:** Any employee who engages in any of the following off-premises activities will be subject to disciplinary actions:

The use, sale, possession, transfer, or purchase of alcohol or illegal drugs where such involvement constitutes a direct threat to the employer's property, the public, coworkers, affects the employee's job performance, generates adverse publicity or results in a criminal conviction.

Medical Testing

The Exposition Metro Line Construction Authority reserves the right to require employees to undergo medical testing for alcohol and/or drug use if it has reasonable suspicion to believe, based on specific, objective facts, that the employee is under the influence of alcohol and/or drugs or has used such substances on the employer's property or if the employee is involved in a work-related accident.

The types of tests that may be used include breathalyzer, blood tests, and urinalysis. No medical test will be administered without the written consent and release of the employee. A refusal to submit written consent to medical testing under the conditions outlined in the preceding paragraph will be deemed insubordination and will result in discipline, including suspension, or termination.

If a medical test shows the presence of alcohol, an illegal drug or a legal drug, the use of

which the employee has not notified his/her supervisor, the employer will request a confirmation test to ensure the accuracy of the test results, if possible.

Notice Of Conviction

All employees are required to notify the employer of any conviction for violation of a criminal drug statute occurring in the workplace within five days after such conviction.

Disciplinary Action

Any violation of this policy will result in disciplinary action, including suspension without pay or termination. Should the disciplinary action result in suspension, the employee must submit proof of a negative drug test before returning to work. If no proof is submitted, the employee will be required to submit to random drug testing for the first six (6) months or a longer period if circumstances require. Any employee who is involved in the sale or purchase of drugs during the workday or on the employer's property will be subject to immediate discharge.

Searches

The Authority reserves the right to conduct searches for illegal drugs or alcohol on its property, including desks, or other stationary containers, where it has reasonable suspicion to believe an employee is under the influence of drugs and/or alcohol, if the employee is involved in a work-related accident or if the employee has been observed possessing, selling or using a prohibited substance on the job. Additionally, searches of employees and their personal property may be conducted when there is reasonable suspicion to believe that the employee is in violation of this policy.

An employee's consent to a search of personal property is required. However, the employee's refusal to consent under the conditions outlined in this paragraph may result in disciplinary action, including suspension without pay or termination.

702 SEXUAL AND OTHER FORMS OF IMPERMISSIBLE HARASSMENT

The employer is committed to providing a work environment that is free of discrimination. Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. Specifically, no supervisor shall threaten or insinuate, either explicitly or inexplicably, that an employee's submission to or rejection of sexual advances will in any way influence any personal decision regarding that employee's employment, wages, advancement, assigned duties, shifts, or other any other condition of employment or career development.

Other sexually harassing conduct in the workplace, which may create an offensive work environment, whether it is in the form of physical or verbal harassment, and regardless of whether committed by supervisors or non-supervisory personnel, is also prohibited. This includes but is not limited to: repeated offensive or unwelcome sexual flirtations, advances, propositions; continual or repeated verbal abuse of a sexual nature; graphic verbal commentaries about an individual's body; sexually degrading words used to describe an individual; or the display in the workplace of sexually suggestive objects or

pictures.

Any individual who has reason to believe that he or she is the victim of harassment should promptly report the facts of the incident to any of the following persons: his or her supervisor, or the Authority's CEO. A prompt investigation will be conducted, and the employer will take appropriate corrective action where it is warranted. Harassment by the CEO of the Authority to an employee must be reported to the Board of Directors.

Anyone engaging in any improper harassment will be subject to disciplinary action, including possible discharge. An employee who has presented a complaint, which is later determined to be false, may be subject to disciplinary action, including possible discharge.

703 ATTENDANCE AND PUNCTUALITY

To maintain a safe and productive work environment, the employer expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness places a burden on other employees and on the employer. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, he or she should notify the supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, including termination of employment.

704 RETURN OF PROPERTY

Employees are responsible for all property, materials, or written information issued to them or in their possession or control. Employees must return all property of the employer that is in their possession or control in the event of termination of employment, resignation, or layoff, or immediately upon request.

Where permitted by applicable laws, the employer may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. The Exposition Metro Line Construction Authority may also take all action deemed appropriate to recover or protect its property.