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## MEMORANDUM

**DATE:** June 3, 2015  
**TO:** Members, Executive Committee  
**FROM:** Juan Salgado, Executive Director  
**SUBJECT:** Employee Handbook, June 2015 Edition

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### **BACKGROUND**

The Phoenix IDA maintains an Employee Handbook to establish the overall foundation of the employment relationship between the Phoenix IDA and its employees. The Employee Handbook provides guidance to employees on key employment matters such as policies and procedures, employee benefits and workplace expectations. It is sound business practice for organizations to review their employee handbook on a regular basis and to update it as needed. The Phoenix IDA Employee Handbook was last revised in July 2014.

### **SUMMARY OF REVISIONS**

The Phoenix IDA Employee Handbook has been updated to clarify benefits provided/received by full-time and part-time employees. Revisions were made to the following areas:

- Employment Classifications – re-defined the classification of part-time employee.
- Insurance – added content to the definition of ‘benefit eligible employees’.
- 457(b) Deferred Compensation Plan – added employee eligibility and a statement regarding part-time employees.
- Paid Time Off – revised to reflect holiday pay for part-time employees.
- Holiday Pay – re-defined how holiday pay is calculated for full-time and part-time status employees.
- Bereavement Leave – clarified policy for all employees.
- Jury Duty – clarified policy for all employees.

All employees are expected to receive, read and sign the Employee Handbook, June 2015 edition, no later than June 15, 2015.

### **RECOMMENDATION**

Legal counsel and I recommend Committee approve the Employee Handbook, June 2015 edition, in the form presented.



# Employee Handbook

~~July 2014~~

May June 2015

## TABLE OF CONTENTS

### Page

INTRODUCTION TO THE COMPANY.....	1
WELCOME LETTER.....	1
INTRODUCTORY STATEMENT AND AT-WILL EMPLOYMENT POLICY.....	3
EMPLOYMENT POLICIES.....	4
EQUAL EMPLOYMENT OPPORTUNITY POLICY.....	4
POLICY AGAINST HARASSMENT AND DISCRIMINATION.....	4
WORKPLACE BULLYING.....	5
VIOLENCE IN THE WORKPLACE.....	6
CONSTRUCTIVE DISCHARGE.....	6
WHISTLE-BLOWER POLICY.....	7
EMPLOYMENT CLASSIFICATIONS.....	8
EMPLOYEE SAFETY.....	8
ATTENDANCE POLICY.....	8
PERIODIC PERFORMANCE REVIEW.....	9
PROGRESSIVE DISCIPLINE.....	9
COMPENSATION.....	10
WORK WEEK.....	10
TIMEKEEPING PROCEDURES.....	10
PAYDAY.....	11
ERRORS IN PAY.....	11
OVERTIME COMPENSATION.....	11
EMPLOYEE BENEFITS AND LEAVE.....	11
INSURANCE.....	11
MEDICAL INSURANCE.....	11
DENTAL INSURANCE.....	12
LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT.....	12
SHORT TERM DISABILITY (STD).....	12
LONG TERM DISABILITY (LTD).....	12
457(B) DEFERRED COMPENSATION PLAN.....	13

**TABLE OF CONTENTS**  
(continued)

**Page**

PAID TIME OFF .....	13
HOLIDAY PAY.....	14
MILITARY LEAVE .....	15
BEREAVEMENT LEAVE.....	15
JURY DUTY .....	15
MISCELLANEOUS POLICIES.....	16
CONFIDENTIAL INFORMATION AND NONDISCLOSURE .....	16
RETURN OF COMPANY PROPERTY.....	16
COMMUNICATIONS POLICY.....	16
USE OF COMPUTER SOFTWARE .....	17
SOCIAL MEDIA.....	17
TELEPHONE AND CELL PHONE USE.....	18
DRESS CODE .....	19
NEPOTISM.....	19
APPENDIX A – DRUG & ALCOHOL POLICY.....	A-1
APPENDIX B - ACKNOWLEDGEMENT AND CONSENT FORMS .....	B-1
ACKNOWLEDGEMENT OF RECEIPT OF DRUG AND ALCOHOL POLICY.....	B-2
DRUG AND ALCOHOL TESTING CONSENT FORM .....	B-3
COMMUNICATIONS POLICY ACKNOWLEDGMENT AND CONSENT .....	B-4
RECEIPT OF EMPLOYEE HANDBOOK AND EMPLOYMENT-AT-WILL ACKNOWLEDGMENT .....	B-5

# Introduction to the Company

## Welcome Letter

This Employee Handbook covers employees of The Industrial Development Authority of the City of Phoenix, Arizona (the "Company" or "Phoenix IDA"). The Phoenix IDA, established in 1981 by the Phoenix City Council, serves as conduit issuer of private activity bonds, which attract private investment to finance projects that provide a public benefit. The Phoenix IDA has a long history of providing access to capital for community and economic development projects. By establishing public/private partnerships through revenue bond financing projects, the Phoenix IDA strives to increase job opportunities within the community, support education and health care, and provide housing for underserved communities, all which benefit the residents of the City of Phoenix and the State of Arizona. The Phoenix IDA does not rely on taxpayer or general fund dollars. The Company's Mission Statement: To provide community and economic benefits to Phoenix residents through bond financing and other community investments.

The Company has always emphasized that outstanding people are the key to success. Our strength and future growth depend on the contributions made by you and each person within the Company. We are proud to have you as part of our team. To ensure continued success, it is important that all employees understand our policies and procedures. This Employee Handbook will familiarize you with the various aspects of working at Phoenix IDA.

Please be aware that this Employee Handbook only outlines the Company's basic policies, procedures, rules and benefits. It is only intended to provide an overview. The policies, procedures, rules and benefits described here may be modified or discontinued from time to time. Therefore, if you have any questions, please ask the Executive Director.

This Employee Handbook and the information in it should be treated as confidential. No portion should be disclosed to anyone other than Company employees and others affiliated with the Company whose knowledge of the information is warranted in the normal course of Company business.

**This Employee Handbook is not a contract of employment, either express or implied, between you and the Company. Your employment at Phoenix IDA is at-will, meaning that either you or the Company may terminate the employment relationship at any time, with or without notice or cause, for any reason not prohibited by law. This at-will arrangement can be altered only in a written agreement signed by you and the Executive Director.**

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

Sincerely,

Juan Salgado  
Executive Director

## Introductory Statement and At-Will Employment Policy

The policies and procedures set forth in this Employee Handbook are intended as a guide only and are not a complete description of the Company's policies and procedures. All employees must read and comply with the policies, procedures, rules and benefits described in this Employee Handbook.

Except for the policy of at-will employment, the Company reserves the right to revoke, change, or supplement any policy, procedure or benefit described in this Employee Handbook at any time without notice. Such changes shall be effective immediately upon approval by management unless otherwise stated. This Employee Handbook supersedes and replaces all previous personnel policies, practices and guidelines.

**THIS EMPLOYEE HANDBOOK IS NOT A CONTRACT OF EMPLOYMENT. Nothing contained herein is intended to create, or shall be construed as creating an express or implied contract or guarantee of employment for a definite or indefinite term. This at-will relationship can only be altered by a written contract signed by you and the Executive Director.**

# Employment Policies

## Equal Employment Opportunity Policy

The Company is an equal opportunity employer. The Company will not discriminate against applicants or employees based on race, color, national origin, gender, religion, age, marital status, sexual orientation, disability, familial status, citizenship status, veteran status or military obligations or any other basis prohibited by law.

This policy applies to all employment practices and personnel actions, including but not limited to, recruitment, hiring, selection for training, transfer, promotion, demotion, layoff, recall, termination, rates of pay and other forms of compensation.

## Policy Against Harassment and Discrimination

It is the Company's policy to maintain a work environment that is based on mutual respect and encourages productivity and cooperation. Unlawful harassment and discrimination, including sexual harassment, will not be tolerated.

All employees are responsible for keeping the workplace free from all forms of unlawful harassment and discrimination. Understand that conduct acceptable to an individual employee may not be acceptable to others.

### Harassment

Harassment is any verbal, physical, or visual conduct of a racial, sexual, ethnic, or other status or basis protected by law (race, color, religion, pregnancy status, sex, national origin, age, military status, physical or mental disability) which creates an intimidating, offensive, or hostile work environment or that unreasonably interferes with job performance. Harassment includes, but is not limited to, slurs, jokes, teasing, or name-calling directed at any protected category.

### Sexual Harassment

Sexual harassment is a type of harassment and is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct/contact of a sexual nature when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Some examples of conduct that can create a hostile work environment include, but are not limited to, unwelcome touching, sexually explicit language, obscene gestures, staring, sexual jokes, display of sexually explicit materials, graphic or suggestive comments about an individual's body or manner of dress and derogatory comments based on gender.

### Complaint Procedure

Do not assume that the Company is aware of your harassment problem and/or issue. It is the employee's responsibility to bring his or her complaints and concerns to the Company's attention so that they can be addressed.

Any employee who believes the actions or words of a supervisor, another employee, or other non-employee constitute unwelcome harassment has the responsibility to report the situation immediately to the Executive Director or the President of the Board of Directors.

Employees are required to cooperate fully in the investigation of complaints of harassment. The Company will not tolerate any form of retaliation against any employee for making a complaint or cooperating in the investigation of a complaint.

All complaints will be investigated promptly and in as confidential a manner as possible. If the Company determines that an employee has engaged in unlawful harassment, appropriate disciplinary action, up to and including termination, may be taken.

### Workplace Bullying

The Company will not tolerate bullying behavior by employees, including supervisors and managers, in the workplace. Bullying is generally defined as repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment. The following types of behavior may constitute bullying:

- **Verbal bullying:** Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- **Physical bullying:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work area or property.
- **Gesture bullying:** Nonverbal threatening gestures or stares that convey threatening messages.
- **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities.

Any employee who believes the actions or words of another employee, a supervisor or non-employee in the workplace constitute bullying should report the situation



immediately to the Executive Director or the President of the Board of Directors. All complaints of bullying will be investigated promptly and in as confidential a manner as possible, and employees are required to cooperate fully in such investigations. The Company will not tolerate any form of retaliation against any employee for making a complaint or cooperating in the investigation of a complaint. Any employee found in violation of this policy will be subject to disciplinary action, up to and including termination.

## Violence in the Workplace

Conduct that threatens, intimidates or coerces another employee, customer, vendor or business associate will not be tolerated. Company resources may not be used to threaten, stalk or harass anyone at the workplace or outside the workplace. The Company regards threats coming from an abusive personal relationship in the same manner as it does other forms of violence.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor and/or the Executive Director. When reporting a threat or incident of violence, the employee should be as specific and detailed as possible. The Company encourages employees to bring their disputes to the attention of their supervisors or the Executive Director before the situation escalates. Employees should promptly inform the Executive Director of any protective or restraining order that they have obtained that lists the workplace as a protected area.

All reports of threats of violence or incidents of actual violence and of suspicious individuals or activities will be investigated promptly. The identity of the individual making a report will be protected as much as possible. The Company will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. In order to maintain workplace safety and the integrity of its investigation, the Company may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending completion of the investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of this policy will be subject to disciplinary action, up to and including termination.

## Constructive Discharge

An employee is encouraged to communicate with the Company whenever the employee believes working conditions may become intolerable to the employee and may cause the employee to resign. Under Section 23-1502, Arizona Revised Statutes, an employee may be required to notify an appropriate representative of the employer in writing that a working condition exists that the employee believes is intolerable, that will compel the employee to resign, or that constitutes a constructive discharge, if the employee wants to preserve the right to bring a claim against the employer alleging that the working condition forced the employee to resign.

Under the law, an employee may be required to wait fifteen (15) calendar days after providing written notice before the employee may resign if the employee desires to

preserve the right to bring a constructive discharge claim against the employer. An employee may be entitled to a paid or unpaid leave of absence of up to fifteen (15) calendar days while waiting for the employer to respond to the employee's written communication about the employee's working conditions.

If you believe that you are being forced to resign due to unpleasant working conditions or unfair treatment, you should submit a written letter or memorandum to the Executive Director to notify the Company of the problem. If you believe that you cannot continue to work while waiting for the Company to respond, you may be entitled to a leave of up to fifteen (15) calendar days. The Company will determine if you are entitled to a paid or unpaid leave of absence.

## Whistle-Blower Policy

Any employee is encouraged to report any suspected illegal, fraudulent or dishonest conduct to the Executive Director or a member of the Board of Directors.

The Company will use its best efforts to protect employees that report any suspected illegal, fraudulent or dishonest conduct ("whistle-blowing complaints") from retaliation. Whistle-blowing complaints will be handled with sensitivity and discretion to the extent permissible by the circumstances and the law. Further, whistle-blower complaints will be shared only with those individuals who have a need to know so that the Company can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, with law enforcement personnel. Should disciplinary or legal action be taken against a person or persons as a result of a whistle-blower complaint, such person(s) also may have the right to know the identity of the whistle-blower.

The Company will not tolerate retaliation against a whistle-blower for informing the Executive Director or a member of the Board of Directors about an activity which that individual believes to be illegal, fraudulent or dishonest with the intent or effect of adversely affecting the terms and conditions of the whistle-blower's employment. Whistle-blowers who believe that they have been retaliated against should notify the Executive Director or a member of the Board of Directors. Any complaint of retaliation will be promptly investigated and appropriate corrective measures taken if allegations of retaliation are substantiated. This protection from retaliation is not intended to prohibit the Company from taking action, including disciplinary action, in the usual scope of its business and based on valid performance-related factors; and whistle-blowers must be cautious to avoid making allegations with reckless disregard for their truth or falsity ("baseless allegations"). An employee who makes baseless allegations may be subject to disciplinary action, up to and including termination.

## Employment Classifications

There are two classifications of employees:

- **Full-time** — An employee who works a minimum 40-hour workweek on a regularly scheduled basis.
- **Part-time** — An [hourly](#) employee who works [25 hours or less](#) ~~than 40 hours~~ per week on either a regularly scheduled basis or on an irregular basis.

All employees are classified as exempt or nonexempt according to these definitions:

**Exempt (salaried)** — Positions of a managerial, administrative or professional nature, as prescribed by the Fair Labor Standards Act (FLSA), which are exempt from the minimum wage and overtime provisions of the FLSA.

**Nonexempt (hourly)** — Positions which are covered by the FLSA's requirements concerning minimum wage and overtime payments.

If you are uncertain as to your employment classification, please contact the Executive Director.

## Employee Safety

The Company strives to provide its employees with a safe and healthful workplace environment. To accomplish this goal, all employees must diligently undertake efforts to promote safety.

All job-related injuries or illnesses are to be reported to the Executive Director immediately, regardless of severity. In the case of serious injury, an employee's reporting obligation will be deferred until circumstances reasonably permit a report to be made. Failure to report an injury or illness may preclude or delay the payment of any benefits to the employee and could subject the Company to fines and penalties. Violation of this policy may result in disciplinary action, up to and including termination.

## Attendance Policy

The Company expects every employee to regularly report to work, be punctual, and to work all scheduled hours and any required overtime. This means being in their work area, ready to work, at their starting time each day, and remaining on duty until the end of the work day. Excessive absenteeism and tardiness places a burden on other employees and on the Company and will not be tolerated.

If you are unable to report to work as scheduled, for any reason, you must notify the Executive Director at least two hours before your regular starting time, unless doing so is unreasonable under the circumstances. The notice must include a reason for the absence and when you will report for work. If you become ill while at work or must leave work for some other reason before the end of the workday, you must inform the Executive Director of the situation as soon as practicable under the circumstances.

You are responsible for speaking directly with the Executive Director about your absence. It is not acceptable to leave a voicemail message, except in extreme emergencies. In the case of leaving a voicemail message, a follow-up call must be made as soon as practicable under the circumstances. This will allow the Company to arrange for temporary coverage of your duties and helps other employees to continue work in your absence. Unless your circumstances prevent you from personally giving notice, having another employee, friend or relative give this notice for you is improper and constitutes grounds for disciplinary action, up to and including termination of employment.

Unauthorized or excessive absences or tardiness will result in disciplinary action, up to and including termination of employment. An absence is considered to be unauthorized if the employee has not followed proper notification procedures or the absence has not been approved.

If you do not report for work and the Company is not notified of your status, it will be assumed after two consecutive days of absence that you have voluntarily abandoned your position with the Company, and you will be terminated, unless otherwise prohibited by law.

## Periodic Performance Review

The Company will conduct annual performance evaluations to review each employee's performance. New employees will receive an informal performance review after approximately three (3) months of employment, followed by a formal, written performance review after approximately six (6) months of employment.

## Progressive Discipline

Every employee has the duty and responsibility to be aware of and abide by existing Company rules and policies, and to perform his or her duties to the standards as set forth in his or her job description or as otherwise established by the Executive Director. The Company uses progressive discipline to address employee issues such as poor work performance or misconduct. The progressive discipline policy is designed to provide a corrective action mechanism to improve, and avoid a recurrence of, poor work performance and/or undesirable employee behavior. This progressive discipline policy is consistent with the Company's values, human resources best practices and employment laws.

The Company reserves the right to combine or skip steps in the progressive discipline process based on the facts of each situation. Factors that may be considered include, without limitation: (i) whether the offense is repeated despite prior counseling or training; (ii) the employee's work history; and (iii) the impact of the offense on the Company.

The following outlines the Company's progressive discipline process:

- **Verbal warning:** A supervisor or the Executive Director verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.

- **Written warning:** Written warnings are issued by a supervisor or the Executive Director for offenses that are deemed serious or in situations when a verbal warning has not helped to change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning.
- **Performance improvement plan:** Whenever an employee has been given a verbal or written warning or is otherwise involved in a disciplinary situation that has not been readily resolved, the employee may be placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time as established by the Executive Director. Within the designated time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work standards as required by the Company. At the end of the performance improvement period, the PIP may be closed or, if established goals are not met, the employee may be subjected to additional disciplinary action, up to and including termination.

The Company reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including without limitation, oral and written warnings, suspension with or without pay, demotion and termination of employment.

## Compensation

### Work Week

Normal workdays at the Company are Monday through Friday each week. However, the nature of the Company's business sometimes demands that work be performed outside of the Company's normal workdays and hours. Any variation of an employee's regular work schedule will be determined and approved by the Executive Director.

### Timekeeping Procedures

The Company is required to keep accurate records of the time worked by nonexempt employees. Accurately recording hours actually worked is necessary for accuracy in pay. Each day, all nonexempt employees must completely and accurately fill out their time cards. Time cards must reflect a start and end time and employees are required to record any time that they are not working, including the start and end of each lunch break.

Falsifying a time record or failing to record your time and/or tampering with another employee's time records are prohibited and may result in disciplinary action, up to and including termination.

Completed time cards must be given to the Executive Director each Monday for the previous workweek.

## Payday

You will be paid every other Friday. If the normal payday falls on a holiday, you will be paid on the last work day before the normal payday.

## Errors In Pay

Every effort is made to avoid errors in your paycheck. If you believe an error has been made, tell the Executive Director immediately. The Company will take the necessary steps to research and, if appropriate, correct any identified error.

## Overtime Compensation

Nonexempt employees will be paid at the rate of one and one-half times their regular hourly rate of pay for all time worked in excess of 40 hours in any one work week. Overtime work is never at the employee's discretion and must be approved in advance by the Executive Director. Although the Company will pay for all overtime work as required by law, an employee who fails to obtain prior approval of overtime work may be subject to disciplinary action, up to and including termination.

# Employee Benefits and Leave

## Insurance

The Company offers a wide variety of comprehensive programs to eligible regular full-time employees (as determined by the carrier of the policies). Employees [who work more than an average of 30 hours a week](#) are generally eligible for these benefits as of the first day of the month following their hire date. For additional information regarding these benefits, please contact the Executive Director. The Company reserves the right to change insurance companies or to modify or terminate eligibility requirements, benefits, or coverage at any time.

## Medical Insurance

Medical coverage is available to all benefit eligible employees [\(employees who work more than an average of 30 hours a week\)](#) and their eligible dependents (as determined by the carrier of the policies). Employee and family coverage is available. Employees may choose between two PPO medical plans and enroll in medical coverage at specified times. For additional information regarding medical benefits, please contact the Executive Director. The Company shares the monthly premium cost with the employee. 80% of the employee premium is paid by the Company.

## Dental Insurance

Eligible employees [\(as determined by the carrier of the policies\)](#) may choose to participate in a PPO dental plan. Employee and family coverage is available. The Company shares the monthly premium cost with the employee. 80% of the employee premium is paid by the Company. [For additional information regarding dental insurance benefits, please contact the Executive Director.](#)

## Life Insurance and Accidental Death and Dismemberment

The Company provides basic life and accidental death and dismemberment ("AD & D") life insurance coverage at no cost to [eligible](#) employees [\(as determined by the carrier of the policies\)](#). Coverage amount for basic group term life is \$25,000. AD & D insurance pays a \$25,000 benefit for death or loss of hands, feet and/or vision when an employee experiences a loss within 365 days of an accident. There is a 35% reduction of benefits at age 65 and an additional 15% reduction at age 70. For additional information regarding AD&D coverage, please contact the Executive Director.

## Short Term Disability (STD)

The Company provides short term disability ("STD") benefits at no cost to [eligible](#) employees. All active full-time employees (except ~~part-time~~, seasonal, temporary or contract employees) who reside in the United States and are U.S. citizens or legally working in the United States and [all part-time employees](#) who work at least 25 hours per week are eligible employees.

The waiting period for accident or illness is 14 days. The benefit begins on the 15<sup>th</sup> day for disability due to injury or sickness. An eligible employee may receive 60% of his/her pre-disability earnings, with a maximum weekly benefit of \$1,500. The STD benefit duration is 11 weeks. Limitations for preexisting conditions include 3 months prior / 12 months insured – 6 week limitation.

These enrollments are automatic. Proof of good health may be required if on the date you become eligible for coverage there are fewer than five members insured. For additional information regarding STD coverage, please contact the Executive Director.

## Long Term Disability (LTD)

The Company provides long term disability ("LTD") benefits at no cost to [eligible](#) employees. All active full-time employees (except ~~part-time~~, seasonal, temporary or contract employees) who reside in the United States and are U.S. citizens or legally working in the United States and [all part-time employees](#) who work at least 25 hours per week are eligible employees.

The LTD benefit waiting period is 90 days. Upon qualifying, an eligible employee may receive 60% of his/her pre-disability earnings, with a maximum monthly benefit of \$6,000. The LTD benefit duration is to Social Security Normal Retirement Age. Limitations for preexisting conditions include 12 months prior / 12 months insured. Mental health conditions, drug and alcohol abuse and special conditions are 24 month

limits. Proof of good health may be required if on the date you become eligible for coverage there are fewer than five members insured. For additional information regarding LTD coverage, please contact the Executive Director.

For additional information regarding insurance benefits, please contact the Executive Director.

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## 457(b) Deferred Compensation Plan

The Industrial Development Authority of the City of Phoenix, Arizona 457(b) Deferred Compensation Plan was established to provide eligible employees the ability to defer income with voluntary investment options designed to supplement income at retirement. This program is voluntary for employees who are eligible to participate. [All current employees are immediately eligible to participate. The Plan excludes part-time employees working fewer than 1,000 hours per year.](#) The Phoenix IDA governing board makes decisions about the fund options available under this Plan.

The Phoenix IDA 457(b) Deferred Compensation Plan type allows both employer and employee contributions, including discretionary matching contributions, non-elective Employer contributions, and participant deferrals (both Roth and pretax). For additional information, please refer to the Phoenix IDA 457(b) Deferred Compensation Plan document.

## Paid Time Off

Full-time employees are eligible to receive Paid Time Off (PTO). PTO provides employees with time off for vacation, sick leave and to take care of personal business. [Except for Holiday Pay as described below, p](#)Part-time employees are not eligible to receive PTO.

PTO amounts will be as follows:

### Full-time Employees:

<b>Length of Employment</b>	<b>Total PTO Per Year</b>	<b>Date of Receipt of PTO</b>
Less than 1 Year	7 Days*	2 days on first day of employment and 5 days after six months of employment
1-5 Years	13 Days	July 1 of each year
6-10 Years	16 Days	July 1 of each year
11-15 Years	19 Days	July 1 of each year
16-20 Years	22 Days	July 1 of each year
21 or More Years	25 Days	July 1 of each year

\*New employees are not permitted to use more than two (2) days of PTO until they have completed six (6) consecutive months of employment with the Company.

Employees are required to use their PTO throughout the year in order to rest and recoup from work. Unless authorized in advance by the Executive Director, employees are not permitted to carry any unused PTO over into the next year and accordingly, any unused PTO will be forfeited. The use of PTO will be based on the fiscal year beginning on July 1 of each year. PTO will be prorated from the date of the employee's hire.

As of the date an employee's length of employment reaches 1, 6, 11, 16 or 21 years, the employee will receive the applicable yearly PTO amount as prorated from such date through the end of the current fiscal year. Upon separation from employment with the Company, the Company will pay out to the employee an amount equal to the amount of PTO in the employee's bank, prorated through the date of separation. For purposes of prorating PTO as described in this paragraph, the number of PTO days to be deposited or paid will be calculated based on the time period in question (days) and the applicable number of days of PTO, assuming a 360 day year and with any portion of a day rounded up or down to the nearest full day.

Example: Employee A's hire date is March 15. As of March 15 in the year Employee A reaches 11 years of employment, the Company will deposit 6 additional days of PTO into Employee A's PTO bank.

- Days from March 15 to the end of the fiscal year (June 30) = 108 days
- Total annual PTO available for 11 years of employment = 19 days
- Prorated amount of PTO to be awarded as of March 15 is calculated as:

$$108 \text{ days} \div 360 \times 19 = 5.7 \quad (\text{rounded up to 6 days})$$

Nonexempt employees may take PTO in increments of one hour. Exempt employees may take PTO in increments of one day.

All requests to use PTO for vacation, sick leave (where reasonably foreseeable) or to conduct personal business must be pre-approved by the Executive Director. So that we may schedule work and plan for business requirements, employees should give at least one (1) month's notice to use PTO for vacation. Every effort will be made to schedule PTO to meet your request as long as the requested time off does not unreasonably interfere with the operational needs of the Company. If two employees request the same dates to use PTO for vacation, the Company will decide, in its sole and absolute discretion, which employee will have priority based upon the Company's business needs, seniority of the employees requesting PTO, the time of receipt of the PTO request and any other factors the Company deems appropriate.

PTO requests around holidays may not be granted to all employees who put in a request, as many employees want to take PTO around holidays.

The Company requests that employees who have earned more than two weeks PTO take no more than two weeks off at any one time. In certain circumstances, and at the discretion of the Executive Director, an employee may be granted the approval to take a vacation in excess of two weeks.

Normally employees may not take time off if they do not have enough PTO in their PTO bank to cover the requested time off. At the Company's sole discretion, under extenuating circumstances, it may allow an employee to take unpaid time off if the employee does not have any available PTO.

PTO time will be prorated for employees on leaves of absence. For example, if an employee who has been employed with the Company for three years takes a three month leave of absence he/she will receive 9.75 Days of PTO. PTO balances will not be

carried over or reinstated for employees who have had a break in employment with the Company. PTO hours are not used in calculating overtime hours.

## Holiday Pay

Eligible employees will receive paid time off in observance of the following holidays:

- New Year's Day;
- Martin Luther King Jr. Birthday;
- Presidents' Day;
- Cesar Chavez Birthday;
- Memorial Day;
- Independence Day;
- Labor Day;
- Veterans' Day;
- Thanksgiving Day and the day after Thanksgiving; and
- Christmas Day

Employees are not eligible for holiday pay until they have completed thirty (30) days of continuous employment with the Company. ~~Full-time Nonexempt (hourly) Part-time~~ employees will be paid holiday pay equal to their regularly scheduled number of work ~~eight straight time~~ hours per holiday. ~~Full-time salaried Exempt Full-time~~ employees will be paid at their usual salary rate for one day of work per holiday. If a designated holiday falls while an employee is taking PTO, the holiday is not considered a PTO day. A paid holiday does not count as a day worked in calculating overtime pay. Employees are not eligible for holiday pay while on a leave of absence.

## Military Leave

The Company complies with the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), which provides military service members with certain employment and reemployment rights and imposes certain obligations on both employers and employees. Contact the Executive Director for more information or questions about military leave.

## Bereavement Leave

If a death occurs in your immediate family, the Company will permit up to three (3) days of paid leave for all employees. Please notify the Executive Director immediately if you need to take bereavement leave. If the death requires out-of-state travel, the employee may take up to two (2) additional paid days of leave. "Immediate family" for the purposes of bereavement leave means the mother, father or step-parent of the employee; the husband, wife, child, step-child, brother, sister, step-brother, step-sister of the employee; the grandchild of the employee; the employee's domestic partner; the child or parent of the employee's domestic partner; and any person residing in the employee's household as a member of the family. For purposes of the foregoing, "domestic partners" are persons who are at least 18 years of age and of the same gender, who are not legally married to any person, and who share permanent residence. A relative, who, ~~because~~ of family circumstances, has been a parent substitute to the employee, may be considered "immediate family."

## Jury Duty

The Company will grant all employees up to three (3) days of paid time off for mandatory jury duty or court appearances as a witness when the employee must serve or is required to appear as a result of a court order or subpoena. Paid time off will not be granted to an employee who must appear in court as a party in respect of a personal matter. A copy of the court notice, order or subpoena must be supplied to the Executive Director as soon as practical after the employee receives the jury duty notice, order or subpoena. The Company does not require that employees use PTO time for jury or witness service, however, employees may choose to use PTO.

Employees are expected to return to work, when reasonable, during regularly scheduled work hours when not required to be in attendance as a juror or if the employee is released from jury duty earlier than anticipated.

[Remainder of page left blank intentionally.]

# Miscellaneous Policies

## Confidential Information and Nondisclosure

Phoenix IDA property includes not only tangible property, such as desks and computers, but also intangible property such as information. During employment with Phoenix IDA, employees may be exposed to certain information that is considered Confidential Information by Phoenix IDA. Confidential Information includes, but is not limited to, computer records, financial and marketing data, formulas, documents, notes, files records, and trade secrets and all other information concerning Phoenix IDA, including those documents and items which an employee may develop or help develop while in Phoenix IDA's employ, whether or not developed during regular working hours or on the Company's premises and whether original, copied, duplicated, computerized, memorized, handwritten or in any other form.

All Confidential Information is the sole property of Phoenix IDA. Confidential Information may not be discussed with anyone outside Phoenix IDA and may be discussed within Phoenix IDA only on a "need to know" basis. These restrictions apply both during employment and following separation from Phoenix IDA. The unauthorized disclosure of Confidential Information may result in disciplinary action, up to and including termination.

At the conclusion of your employment with Phoenix IDA, employees are required to return all Confidential Information, whether original copied, duplicated, computerized, handwritten or in any other form.

## Return of Company Property

Any Phoenix IDA property issued to employees, such as computer equipment, keys, parking passes, badges or company credit cards, must be returned to Phoenix IDA at the time of separation from employment. Employees will be responsible for lost or damaged items.

## Communications Policy

1. Use and Ownership. Information technology resources are provided for the purpose of work-related activities. The Company and/or the City of Phoenix owns all communications transmitted over or stored on the Company's communications systems. In other words, **all electronic mail, voice mails, data files and any other types of electronically stored information are the sole property of the Company and/or the City of Phoenix.** The Company may limit or restrict any employee's use of the Company's electronic mail, voice mail, or computer systems.

2. Monitoring. The Company may, without notice, intercept, retrieve, access, inspect, read, monitor, copy, remove, disclose or otherwise alter any employee electronic mail, voice mail, data file, Internet activity or other communication as the Company considers appropriate. **You should never expect that such communications are private.** Your passwords for these systems do not prevent

access and monitoring. In addition, deletion of electronic mail from your personal mailbox does not mean the file has been completely deleted from the system. Use of these systems constitutes employee consent to the Company's right to access and review this information. Notwithstanding the Company's right to authorize designated personnel to retrieve and review messages on the systems, such messages should be treated as confidential by other employees and accessed only by the intended recipient.

3. Appropriate Content. All employees are responsible for the content of all text, audio, or images that they send, receive, play, retain or forward over the communications systems. Fraudulent, harassing, offensive, demeaning, insulting, defaming, intimidating, abusive, or sexually suggestive messages and files are prohibited and should be immediately deleted.

4. Appropriate Use. The communications systems are intended for business-related purposes. Any personal use should be limited and should not interfere with the Company's business or interfere with your productivity.

5. Scanning Electronic Mail for Viruses. Electronic mail attachments should never be introduced into the system without first having been scanned for viruses.

6. Non-Business Related Attachments. Please do not send or request to have sent any electronic mail attachments (i.e., pictures, movies, audio files) which are not directly work-related. These are large files that place unnecessary burdens on the network as well as delay other work related electronic mail from being transmitted expeditiously.

7. Security and Confidentiality. As a reminder, Internet electronic mail communications are not secure. If you need to ensure confidentiality in your correspondence, please use another means of transmittal.

8. Compliance. Improper use of the Company's communications systems may result in discipline, up to and including dismissal. Improper use includes, but is not limited to, any misuse as described in this Policy.

9. City of Phoenix Policies. To the extent Phoenix IDA employees use the City of Phoenix's network and/or electronic equipment, Phoenix IDA employees must comply with all applicable City of Phoenix policies. For more information regarding City of Phoenix policies, contact the Executive Director.

## Use of Computer Software

No games, unlicensed software, or unauthorized personal software may be installed on the Company's computers. In addition, Phoenix IDA does not condone the illegal duplication of software.

## Social Media

The Company recognizes that Internet-provided social media can be highly effective tools for sharing ideas and exchanging information. The Company defines social media broadly to include online platforms that facilitate activities such as social networking,

posting commentary or opinions, and sharing pictures, audio, video, or other content. Social media includes, but is not limited to, personal websites and all types of online communities (e.g., weblogs, wikis, social networking sites such as Facebook® or LinkedIn®, YouTube®, Twitter®, podcasts and message boards).

While the Company respects the right of employees to use online social media as a means of self-expression and outreach, it encourages its employees to be respectful and professional toward the Company and the Company's employees when using social media tools. To that end, employees should use discretion and good judgment when posting content on the Internet and follow the guidelines set forth as follows:

Expression of Personal Views: Where your connection to Phoenix IDA is apparent, make it clear that you are speaking for yourself and not for Phoenix IDA. In those circumstances, include a disclaimer, such as: "The views expressed on this [site, blog, etc.] are my own and do not reflect that of my employer."). Also consider adding this disclaimer in an "about me" section of your blog or social networking profile. Finally, use your personal e-mail address (not your Phoenix IDA e-mail address) as your primary means of identification.

Comply with the Law: Do not engage in activities that violate federal or state law or regulations when using social media. To that end, respect the laws governing copyright and fair use of copyrighted material owned by others. Phoenix IDA logos and trademarks cannot be used in any social media medium without the express written consent of the Company.

Compliance with Phoenix IDA Policy: Follow applicable Phoenix IDA policies, which are set forth in this Employee Handbook. Among the most pertinent policies to this social media discussion are those concerning Confidentiality and Non-Disclosure, Policy Against Harassment and Discrimination, Communications Systems and Use of Computer Software.

Respect Others: Be respectful and professional to your co-workers. Do not comment or post proprietary or confidential content about Phoenix IDA. Do not post pictures of your co-workers without their consent.

Work Commitments: Ensure that your use of social media will not interfere with your work commitments. As such, employees may not use social media tools for personal use during work hours, regardless of whether you access social media through a Company computer or a personal handheld device.

The Company may monitor content on the Internet. Violations of the policies identified in this Employee Handbook may result in disciplinary action, up to and including termination.

## Telephone and Cell Phone Use

Placing and receiving personal telephone calls during business hours is discouraged except for emergencies. Employees should discourage family members and friends from making personal telephone calls to employees during working hours.

If an employee violates this policy, he/she may be subject to disciplinary action, up to and including termination.

## Dress Code

It is in the Company's and the employee's best interests to present a professional image to clients and the public. Accordingly, while the Company has no formal dress code, it is expected that all employees will dress in a manner consistent with good hygiene and business needs.

## Nepotism

Employment of an immediate family member of an employee or a member of the Board of Directors is prohibited. "Immediate family member" for purposes of this policy means the employee's or Board Member's spouse, child, step-child, parent, sibling (whole, half or step) and a parent or sibling of the employee's or Board Member's spouse.

[Remainder of page left blank intentionally.]



# Appendix A

## Drug & Alcohol Policy

### I. **Purpose of the Drug and Alcohol Policy**

The Industrial Development Authority of the City of Phoenix, Arizona (the "Company") is committed to maintaining a drug and alcohol-free work environment for all employees. This commitment arises from the Company's genuine concern for the well-being of its employees, the safety of its customers and the general public, and respect for state and federal statutes outlawing illegal drugs. Safety in the Company's workplace demands each employee's full attention and clear thinking on the job. The Company, as well as each employee, has a right to expect that all employees are drug and alcohol-free and prepared to do their jobs in as safe a manner as possible at all times.

The Company also recognizes a responsibility to maintain the highest reputation in the industry and in the community. An employee who violates state or federal drug laws can harm the Company's reputation and that of its other employees.

The Company has adopted this Drug and Alcohol Policy as part of the Company's commitment to quality and safety in accordance with Arizona law. This Policy establishes uniform standards and requirements for alcohol impairment and drug testing of all Company personnel. All Company employees and prospective employees must read, understand, and abide by this Policy.

We regret any inconvenience this Policy may cause employees who do not use illegal drugs or abuse alcohol. However, we believe that the benefits of this Policy to you and the Company – enhanced safety, productivity, and quality in the workplace – will more than make up for that inconvenience. To the extent possible, this Policy strives to preserve the personal privacy and dignity of our employees.

We appreciate the understanding and cooperation of all employees in implementing this Policy. Your cooperation helps to make our Company a safe, productive, and enjoyable place to work.

### II. **Definitions**

A. "Alcohol" means ethanol, isopropanol, or methanol.

B. "Alcohol impairment test" means any chemical, biological, or physical instrument analysis administered for the purpose of determining whether alcohol is present in the sample tested in an amount at or above a prohibited level.

C. "AMMA" means the Arizona Medical Marijuana Act, A.R.S. § 36-2801, *et seq.*

D. "Employee" ([full-time or part-time](#)) means any person in the service of the Company.

E. "Chain of custody" procedures means procedures designed to account for the integrity of each sample by tracking its handling and storage from the point of collection to its final disposition.

F. "Collection site" means a location for specified employees and/or prospective employees to report for the purpose of providing a test sample.

G. "Confirmatory drug test" means a follow-up drug test administered on samples that test positive as a result of an initial drug test. Confirmatory drug tests will utilize a different analytical method than the method used in initial drug tests. All confirmatory drug tests will consist of a chromatographic technique such as gas chromatography-mass spectrometry or a comparably reliable analytical method.

H. "Conviction" means a plea of "guilty" or "no contest," or a verdict of "guilty."

I. "Current use of any drug" means drug use that has occurred recently enough to justify an employer's reasonable belief that involvement with drugs is ongoing. Current use of any drug is not limited to any specific time frame and depends on the facts of each individual case as provided for in the AMMA.

J. "Drug test" means any chemical, biological, or physical instrument analysis administered for the purpose of determining whether an illegal drug is present in the sample tested in an amount at or above a prohibited level.

K. "Good faith" means reasonable reliance on fact, or that which is held out to be factual without the intent to deceive or be deceived and without reckless or malicious disregard for the truth.

L. "Illegal drug" means any substance under the Controlled Substances Act (21 United States Code Section 812), which is not obtained or used in a lawful manner, or a metabolite of such a substance. Such substances include, but are not limited to, marijuana, cocaine, opiates (morphine and codeine), phencyclidine (PCP), MDMA (ecstasy), amphetamines and methamphetamines.

M. "Impairment" means symptoms that a prospective employee or employee while working may be under the influence of drugs or alcohol that may decrease or lessen the employee's performance of the duties or tasks of the employee's job description, including (without limitation) symptoms of the employee's speech, walking, standing, physical dexterity, agility, coordination, actions, movement, demeanor, appearance, clothing, odor, irrational or unusual behavior, negligence or carelessness in operating equipment, machinery or production or manufacturing processes, disregard for the safety of the employee or others, involvement in an accident that results in serious damage to equipment, machinery or property, disruption of a production or manufacturing process, any injury to the employee or others or other symptoms causing a reasonable suspicion of the use of drugs or alcohol.

N. "Initial drug test" means a drug test designed to screen samples for further testing. All initial drug tests will consist of an immunoassay procedure or other scientifically accepted procedures.

O. "Medical Marijuana" means marijuana that has been legally obtained in accordance with AMMA for use by a person holding a valid registry identification card.

P. "Positive test result" means a finding of alcohol or illegal drugs in the sample tested at or above a prohibited level. Positive test results on an initial drug test will be confirmed by a confirmatory drug test.

Q. "Prohibited level" means an amount of illegal drugs or alcohol in the sample tested at or above the levels established by the laboratory conducting the testing based on the type of sample provided.

R. "Prospective employee" means any person who has made an application, whether written or oral, to become an employee of the Company.

S. "Qualifying patient" means an employee who has been diagnosed by a physician as having a debilitating medical condition as provided for in the AMMA.

T. "Reasonable suspicion" means a set of facts or circumstances and rational inferences drawn from facts or circumstances that would lead a reasonable person to believe that an employee or prospective employee is violating or has violated any provision of this Policy.

U. "Registry identification card" means a document issued by the Arizona Department of Health Services or its successor agency that identifies an employee or a prospective employee who has applied for a position to work for the Company as a registered qualifying patient as provided for in the AMMA.

V. "Safety-sensitive positions" mean positions held by employees that include tasks or duties like those identified in the AMMA, and positions the Company in good faith believes could affect the safety or health of the employee performing the task or others.

W. "Sample" means urine, breath, blood, saliva, hair, or another substance from the person being tested.

X. "Work environment" means all land (including parking lots), buildings, vehicles, equipment, and all other property owned or leased by the Company. In addition, work environment includes all job sites and all instances in which an employee is representing the Company, whether on or off Company property, and all instances in which an employee might reasonably appear to be acting within the scope of his or her employment.

### **III. Prohibitions and Employee Responsibilities**

#### **A. Do not bring alcohol or illegal drugs to work.**

The use, possession, manufacture, distribution, purchase, sale, or transfer of alcohol and/or illegal drugs in the work environment is prohibited. An employee who violates this prohibition will be subject to discipline, up to and including termination. In addition, the use, possession, manufacture, distribution, purchase, sale, or transfer of illegal drugs is against the law.

The Company will confiscate and notify law enforcement authorities concerning illegal drugs found in the work environment.

The Company may, at its sole discretion, make exceptions to the prohibitions against the use and possession of alcohol for special situations, e.g., an annual holiday party. No alcohol may be served or consumed on Company premises, however, without the prior written approval of the Executive Director of the Company. Any consumption of alcohol at such events is the sole responsibility of the individual and he/she is required to act responsibly and to refrain from abusing alcohol or drinking alcohol in excess.

- B. Do not report to work impaired by Medical Marijuana, or use or possess Medical Marijuana at work or during working hours.

Each employee who has obtained a registry identification card in accordance with the AMMA must present such card to the Executive Director. The Company reserves the right to use the verification system available through the Arizona Department of Health Services to verify the registry identification card. An employee who tests positive for marijuana, even if the employee is authorized under AMMA to use Medical Marijuana, shall be subject to discipline if the employee possessed, used or was impaired by Medical Marijuana while at work or during working hours.

- C. Do not report to work with alcohol or illegal drugs of any kind in your system.

The Company requires all employees to report to work unimpaired by alcohol and marijuana (including Medical Marijuana) and without illegal drugs in their systems. Employees are warned that some drugs, especially marijuana, remain in the system for extended periods of time. An employee who reports to work impaired by alcohol and/or marijuana (including Medical Marijuana) or with illegal drugs in his or her system will be subject to discipline, up to and including termination. In addition, being impaired by illegal drugs, marijuana (including Medical Marijuana) or alcohol shall not be an excuse for any other misconduct that violates Company rules and/or policies.

- D. Advise your supervisor if you are legally using prescription or over-the-counter drugs that may influence your ability to perform your job safely or effectively.

Employees are personally responsible for confirming with their physician and/or pharmacist that they may perform their regular job duties safely while taking a prescribed or over-the-counter drug. If an employee is taking a drug that could impair his or her job performance, the employee must so advise his or her supervisor before commencing any work; the supervisor may assign the employee to non-hazardous duties or send the employee home. Employees who fail to inform their supervisor that they are taking drugs that may impair their job performance will be subject to discipline, up to and including termination.

- E. Do not violate drug laws or drive under the influence; report drug or DUI-related convictions.

Employees are prohibited from engaging in unlawful, drug-related conduct outside the work environment. Employees who violate state or federal drug laws will be subject to discipline, up to and including termination. Employees have a duty to notify the Company within 5 calendar days if they are convicted of any drug-related offense.

Employees whose positions with the Company require them to drive a vehicle will be subject to discipline, up to and including termination, if they are determined to have driven under the influence of alcohol, marijuana, Medical Marijuana (to the extent limited by the AMMA) or illegal drugs or with an alcohol concentration that exceeds the legal limit, either on or off duty. Employees who drive Company vehicles have a duty to notify the Company within 5 calendar days if they are convicted of an alcohol-related driving offense, or any lesser offense if the original charge was driving under the influence.

- F. Seek outside counseling assistance for substance abuse problems immediately.

The Company encourages voluntary efforts by employees to seek outside counseling assistance for the early resolution of a variety of problems, including drug and alcohol abuse. Each employee is responsible for seeking such assistance before a substance abuse problem manifests itself in the employee's behavior, work performance, or test results.

An employee's use of such assistance will not be a basis for disciplinary action. Seeking such assistance after violating the Policy or other Company rules, however, will not mitigate the disciplinary action taken by the Company.

#### **IV. Testing for Illegal Drugs and Alcohol Impairment**

- A. Persons Subject to Testing

- 1. Prospective Employees

All prospective employees who receive conditional offers of employment are subject to drug testing as a condition of employment.

No drug test will be administered without the prospective employee's written consent. A copy of the consent form is attached to this Policy. Any prospective employee who declines to consent to a drug test will be considered to have withdrawn his or her job application and will be denied employment.

All offers of employment are conditional upon the successful completion of the drug test. The Company will withdraw a conditional offer of employment: (a) to any prospective employee whose sample yields a positive test result for illegal drugs; and (b) to a prospective employee who has applied for a safety-sensitive position whose sample yields a positive test result for marijuana, regardless of whether or not the

prospective employee is a qualifying patient who possesses a registry identification card.

In addition, the Company will withdraw a conditional offer of employment to a prospective employee who the Company reasonably suspects to be impaired by alcohol, or illegal drugs or in the case of a qualifying patient who possesses a registry identification card, to be impaired by Medical Marijuana.

## 2. Employees

*Universal Application.* This Policy applies to all Company personnel.

*Basis for Alcohol Impairment and/or Drug Testing.* The Company may require the collection and testing of samples for any job-related purposes consistent with business necessity including:

- Reasonable suspicion that an employee is violating or has violated any provision in this Policy. By way of example, reasonable suspicion could be the result of direct observation of the employee's conduct and behavior; receipt of reliable, credible information regarding employee alcohol or drug impairment/use; or direct observation of an employee in possession or use of what is reasonably believed to be alcohol, drugs, or drug paraphernalia.
- Investigation of accidents in the workplace. Post-accident testing will be conducted as soon as practicable after an accident and will be administered to an employee who the Company reasonably believes may have contributed to the accident.
- Maintenance of safety for employees, customers, clients or the public at large.
- Maintenance of productivity, quality of products or services or security of property or information.
- Investigation of possible employee impairment.
- Follow-up testing for an employee who is found to have violated this Policy, but whom the Company has not terminated.

No drug test or alcohol impairment test will be administered without the employee's written consent. A copy of the consent form is attached to this Policy. An employee whom the Company reasonably suspects to be in violation of this Policy will be suspended pending receipt of the test results. An employee's refusal to consent to a drug test or alcohol impairment test upon request will constitute willful misconduct and will result in discipline, up to and including termination.

### B. Testing Protocol

#### 1. Collection Site

An employee or prospective employee who has consented in writing to a drug test or alcohol impairment test will be directed to a collection site designated by the Company. The collection site may be on the Company's premises or it may be located at an off-site laboratory designated by the Company.

## 2. Scheduling Tests, Payment of Testing Costs, and Transportation

All employee drug testing or alcohol impairment testing will occur during, or immediately before or after the employee's regular work period. Time consumed for drug testing or alcohol impairment testing at the Company's direction will be deemed work time for the purposes of compensation and benefits to employees. Prospective employees will not be compensated for time spent in connection with drug testing.

The Company will pay all actual costs for employee drug testing and alcohol impairment testing conducted in connection with this Policy. The Company may, at its discretion, pay the costs for prospective employee drug testing.

In addition, the Company will pay the reasonable transportation costs for employees if the collection site is at a location other than the employee's normal work site. The Company will provide transportation to and from the collection site for any employee the Company reasonably suspects is using illegal drugs or is impaired by alcohol.

## 3. Collection Procedures and Testing Methods

All sample collection and testing for drugs and alcohol impairment under this Policy shall comport with all applicable federal, state and local laws and regulations, and shall be performed according to the following conditions:

- The collection of samples shall be performed under reasonable and sanitary conditions.
- Sample collections shall be documented and these documentation procedures shall include both of the following:
  - Labeling of samples in order to reasonably preclude the possibility of misidentification of the person tested in relation to the test result provided.
  - An opportunity for the person to be tested to provide notification of any information that may be relevant to the test, including identification of currently or recently used prescription or nonprescription drugs or other relevant medical information.
- Sample collection, storage, and transportation to the place of testing shall be performed in a manner reasonably designed to preclude the possibility of sample contamination, adulteration, or misidentification.
- Sample testing shall comply with scientifically accepted analytical methods and procedures. Drug testing shall be conducted at a laboratory approved

or certified by the United States Department of Health and Human Services or the College of American Pathologists.

- Drug testing shall include confirmation of any positive initial drug test results for employees and prospective employees. Confirmation of positive drug test results for employees and prospective employees shall be by use of a different chemical process than was used in the initial drug screen. The second or confirmatory drug test shall be a chromatographic technique such as gas chromatography-mass spectrometry or another comparably reliable analytical method.

C. Reporting Results

The laboratory will report all initial and confirmatory test results to the Company's Executive Director. Before any test result is reported, the responsible laboratory personnel will review the result and certify that the result is accurate. The test report will identify the substances for which the employee or prospective employee was tested and whether the test result was positive or negative.

D. Notification and Employees' Rights

All employees and prospective employees who test positive will be notified by the Company and given an opportunity to explain, in a confidential setting, any reasons they may have for the positive test result. If an individual provides an explanation that satisfies the Company that the positive test result is due to factors other than the presence of illegal drugs or alcohol in the sample, the Company will disregard the positive test result.

Each employee and prospective employee who is tested for illegal drugs or alcohol impairment has the right to request and obtain from the Company the written results of his or her test.

E. Consequences of Refusing to Consent to a Drug Test or Alcohol Impairment Test

An employee's refusal to consent to a drug test or alcohol impairment test upon request will constitute willful misconduct and will subject the employee to discipline, up to and including termination.

The Company will withdraw a conditional offer of employment made to any prospective employee who refuses to consent to a drug test.

F. Consequences of Providing an Adulterated Sample

Any employee or prospective employee who provides an adulterated sample is engaging in willful misconduct and will be deemed by the Company to have refused to participate in the testing process. Employees and prospective employees are cautioned not to consume substances or excessive amounts of liquid in an effort to cleanse samples. These dilution or masking techniques are detectable and will result in disciplinary action, up to and including termination or, in the case of a prospective employee, the Company will withdraw a conditional offer of employment.



#### G. Consequences of a Positive Test Result

If an alcohol impairment test reveals the presence of alcohol in an employee's or prospective employee's system at or above the applicable prohibited level, or if initial and confirmatory drug testing reveals the presence of any illegal drug(s) in an employee's or prospective employee's system at or above the applicable prohibited levels, and the employee or prospective employee does not provide an explanation concerning the positive test result(s) that satisfies the Company, the Company will take disciplinary action, up to and including termination or, in the case of a prospective employee, the Company will withdraw a conditional offer of employment. Any positive test result for which the employee or prospective employee cannot provide a satisfactory explanation will constitute willful misconduct. The Company, in its sole discretion, will determine whether or not an explanation is satisfactory.

In the case of a qualifying patient who possesses a registry identification card, if initial and confirmatory drug testing reveals the presence of Medical Marijuana in an employee's or prospective employee's system and there is other evidence or indicators of impairment, the Company will take disciplinary action, up to and including termination or, in the case of a prospective employee, the Company will withdraw a conditional offer of employment.

In the case of a qualifying patient who possesses a registry identification card and who is employed in a safety-sensitive position or is a prospective employee who has applied for a safety-sensitive position, if initial and confirmatory drug testing reveals the presence of Medical Marijuana in an employee's or prospective employee's system, the Company will take disciplinary action, up to and including termination or, in the case of a prospective employee, the Company will withdraw a conditional offer of employment.

Any positive test result for which the employee or prospective employee cannot provide a satisfactory explanation will constitute willful misconduct. The Company, in its sole discretion, will determine whether or not an explanation is satisfactory.

#### H. Confidentiality of Test Results

The results of all drug tests and alcohol impairment tests conducted for/by the Company will be disclosed only to the Company's Executive Director, authorized agents or employees of the Company on a need-to-know basis, the tested employee and/or the prospective employee. The Executive Director will determine if any Company personnel have a need-to-know basis.

#### V. Searches and Inspections for Alcohol and Illegal Drugs

The Company has the right to inspect and thoroughly search at any time, the entire work environment and all Company property, including but not limited to, vehicles, equipment, cabinets, desks, and lockers, unless otherwise prohibited by law. Employees should not expect that Company property that is routinely used by employees cannot be accessed by the Company and accordingly, employees do not have a reasonable expectation of privacy in connection with their use of Company property.

In addition, if the Company has a reasonable suspicion that an employee has violated this Policy, the Company may request that the employee immediately consent to an inspection of any personal property to which the employee has access at work, including but not limited to, the employee's vehicle, parcels, packages, purse, lunchbox, and/or briefcase, unless otherwise prohibited by law.

All searches and inspections will be conducted by the Executive Director and another employee. Individuals subjected to inspection will not be touched.

Any employee who refuses to consent to an inspection will not be forcibly detained or inspected. Submission to inspection upon request is a condition of employment and an employee's failure to permit an inspection will subject the employee to discipline, up to and including termination.

## **VI. Conclusion**

The Industrial Development Authority of the City of Phoenix, Arizona is genuinely concerned with the health and safety of all its employees, including those with substance abuse problems. The Company will not, however, tolerate substance abuse in the work environment. Such misconduct endangers all employees and the public. The Company expects the full cooperation of everyone in this most important area of personal and corporate responsibility. Any questions concerning this Policy should be directed to the Executive Director.

Nothing in this Policy is to be construed as a guarantee of employment for any period of time, including but not limited to, the time that any employee or prospective employee is participating in the Company drug/alcohol impairment testing program or in a rehabilitation program. Employment with the Company is "at will", which means the Company and its employees may terminate their relationship at any time, for any reason, with or without cause or advance notice. This at-will arrangement can be altered only in a written agreement signed by the employee and the Executive Director.

# **APPENDIX B**

## **ACKNOWLEDGEMENT AND CONSENT FORMS**

## **ACKNOWLEDGEMENT OF RECEIPT OF DRUG & ALCOHOL POLICY**

I acknowledge receiving The Industrial Development Authority of the City of Phoenix, Arizona's Drug & Alcohol Policy, which provides for inspections of employees' personal property and work areas, employee drug testing and alcohol impairment testing, and prospective employee drug testing. I understand that I may be selected for testing for the presence of illegal drugs and/or alcohol impairment. I understand that a positive test result or a refusal to participate in or submit to testing will result in disciplinary action up to and including discharge from The Industrial Development Authority of the City of Phoenix, Arizona and will constitute willful misconduct.

I have read, I understand, and I agree to abide by The Industrial Development Authority of the City of Phoenix, Arizona's Drug & Alcohol Policy.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Signature

## DRUG AND ALCOHOL TESTING CONSENT FORM

I, \_\_\_\_\_ hereby consent to give a sample upon the Company's request for the purpose of: [ ] alcohol impairment testing/[ ] drug testing. I authorize the Company to have access to the results of such testing, and to use the test results to make decisions concerning my prospective, initial or continued employment.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Signature

DATE: \_\_\_\_\_

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Witness's Signature

## COMMUNICATIONS POLICY ACKNOWLEDGMENT AND CONSENT

I understand that The Industrial Development Authority of the City of Phoenix, Arizona (the "Company") provides electronic mail, voicemail, and computers, including Internet access, for use in its business. I understand and acknowledge that these resources are for business use only, and not for personal use. I understand and acknowledge that the Company intends to monitor its Internet, electronic mail, voicemail, data files and computer systems for a number of purposes, including but not limited to providing those systems, maintenance and repairing those systems, preventing abuse of those systems, protecting the Company's rights in those systems, assuring quality work performance and investigating workplace misconduct. As a condition of my being given access to these systems, I hereby expressly consent that during my employment by the Company or thereafter, the Company may without notice, intercept, retrieve, access, inspect, read, monitor, copy, remove, disclose or otherwise alter any employee electronic mail, voicemail, data file, Internet activity or other communication from or to me. I understand, acknowledge and consent that such actions may be taken by the Company despite the existence of system features that give the appearance of privacy, including but not limited to personal passwords and the ability to delete communications. My signature on this document indicates my express consent to the foregoing within the meaning of the Federal Wiretap Act, as amended by the Electronic Communications Privacy Act of 1986, 18 U.S.C. §§ 2510 *et seq.*, and Arizona law, A.R.S. §§ 13-3001 *et seq.*

DATE: \_\_\_\_\_

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Signature

## **Receipt of Employee Handbook and Employment-At-Will Acknowledgment**

I have received a copy of The Industrial Development Authority of the City of Phoenix, Arizona Employee Handbook and I have read the contents of the Employee Handbook, fully understand all of its provisions and understand that I can ask the Executive Director for further information on any subject contained in the Employee Handbook at any time. I agree to abide by all of the policies set forth in the Employee Handbook. I understand that the policies outlined in the Employee Handbook are guidelines only, which may be changed from time to time. I understand that The Industrial Development Authority of the City of Phoenix, Arizona retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and The Industrial Development Authority of the City of Phoenix, Arizona. I understand that the Employee Handbook supersedes and replaces any and all prior employee handbooks and any inconsistent verbal or written policy statements.

I understand that except for the policy of at-will employment, which can only be changed by the Executive Director in a signed written contract, The Industrial Development Authority of the City of Phoenix, Arizona reserves the right to discontinue, revise, delete or add to the provisions of this Employee Handbook at any time without further notice.

**I understand that this Employee Handbook is not a contract of employment. THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA IS AN AT-WILL EMPLOYER. THIS MEANS THAT, REGARDLESS OF ANY PROVISION IN THE EMPLOYEE HANDBOOK, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA OR I MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. ONLY THE EXECUTIVE DIRECTOR, IN A SIGNED WRITTEN AGREEMENT, MAY ENTER INTO ANY AGREEMENT CONTRARY TO THE AT-WILL EMPLOYMENT RELATIONSHIP.**

DATE: \_\_\_\_\_

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Signature