

Discover Kalamazoo Employee Handbook

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Introduction

This Employee Handbook (referred from this point forward as Handbook) contains information regarding the personnel policies and procedures applicable to your employment with Discover Kalamazoo and its divisions, including the advantages you enjoy as an employee and Discover Kalamazoo's expectations of you. This Handbook has been designed to serve as a guideline for you to refer to whenever you have any questions about your employment with Discover Kalamazoo. It is not a contract for employment or a collective bargaining agreement.

Discover Kalamazoo is an "at-will" employer. Just as any employee may resign at any time for any reason or for no reason, Discover Kalamazoo reserves the right to release an employee, with or without cause and with or without notice, at any time. No employee, supervisor or other representative of Discover Kalamazoo has the authority to enter into an employment agreement for any specified period of time or to make any agreement contrary to the provisions contained in this Handbook, except the President/CEO. Any such changes and/or agreements made by Discover Kalamazoo must be in writing and directed to you personally. This Handbook supersedes all prior representations or statements made to you about your employment with Discover Kalamazoo, either oral or written, and rescinds any and all prior policies, procedures, handbooks or general rules and regulations of Discover Kalamazoo previously in effect.

Discover Kalamazoo may set rules and regulations governing the conduct of employees. These rules and regulations, however, are not intended to cover all circumstances and do not alter the fact that the employment relationship is terminable at the will of either party. The directions and control of all work for all employees includes, by way of illustration and not limitation, the right to hire, assign, suspend, transfer, demote or discharge, and is the sole prerogative of Discover Kalamazoo.

Any and all statements and policies in this Handbook are subject to unilateral change, in whole or in part, by Discover Kalamazoo. Also, Discover Kalamazoo retains the right to, in its sole discretion, change, modify, suspend, interpret or cancel, in whole or in part, any of the published or unpublished personnel policies or procedures without advance notice and without having to give cause, justification or consideration to any employee. Recognition of the rights and prerogatives of Discover Kalamazoo is a term and condition of employment and of continued employment. In addition, nothing contained in this Handbook, including any policies regarding termination, performance evaluation or discipline, shall be construed to grant anything other than at-will employment.

After you have read this Handbook, you will be asked to sign an Acknowledgement Form, indicating your acceptance of these policies and procedures. Please be sure to ask questions or get clarification about any information that you do not understand.

Scope

This policy applies to all employees of Discover Kalamazoo. If any portion of this policy is found by a court of competent jurisdiction to be invalid, all other provisions shall remain valid and enforceable as to all Discover Kalamazoo employees.

OFFICE PROCEDURES

101:1 Bulletin Board

In order to improve communication, there is a bulletin board in the kitchen. All team members are encouraged to check this board periodically for information (i.e., labor laws, newsletters, etc.).

102:1 Closing the Office

Everyone is responsible for turning off lights and other equipment serving the organization. The last person to leave the office is responsible for checking to see that all lights are out, that all doors are locked, and that equipment, if required, is turned off.

103:1 Emergency Weather Closing

If the office is closed due to emergency weather conditions, the President/CEO will contact his/her direct reports who will then contact their direct reports. This communication will occur no later than 7:00 a.m. In addition, the Director of Operations will record a voicemail message on the general phone line indicating the office is closed due to emergency weather conditions.

104:1 Conference Rooms

Conference room use should be scheduled on the conference room calendar in Microsoft Outlook. The physical set-up of the room as well as the clean-up is the responsibility of the individual coordinating the meeting.

105:1 Copy Machine

Copies made on the copy machine are expensive. Economic and cautious use is recommended (i.e. printing on both sides of the paper, etc). Also, make sure printer default settings are set to black/white.

106:1 Correspondence

A copy of all correspondence should be maintained. In the event a letter will bear the signature of the Chair of the Board, President/CEO, etc., those individuals should be notified that the letter is being sent and consulted as to whether they will sign it or wish to have others sign for them. A copy of any such letter should be provided to that person as well.

107:1 Equipment

Breakdowns and required repairs of equipment (copier machine, computers, etc.) should be reported to the Director of Operations.

108:1 Computer Files

Computer files should be named and organized in such a way to be recognizable to team members other than the author. Files should be kept in directories in combination with sub-directories according to topic. The Director of Operations will maintain database files.

109:1 Hard Copy Files

An organized and systematic set of files is to be maintained by each team member. Employees are required to keep full and comprehensive records in department files of all essential activities. The maintenance of adequate records is fundamental to the successful operations of a destination marketing organization.

110:1 **File Retention**

Contracts: The original contract should be kept with the Director of Operations; additional copies may be filed with the appropriate team member.

Administrative Files: Three years of department files (including minutes) should be maintained on site – comprised of current year, past year and prior past year.

Specialty Files: Discover Kalamazoo Audit Reports, Articles of Incorporation and Payroll files will be kept in the office of the Finance Manager.

Personnel Files: Former employee personnel files will be retained for six years. Solicited resumes will be retained for three years with unsolicited resumes being retained for six months.

Accounting: The following files should be retained for three years on site, with the exception of General Ledger files which will be retained for ten years:

- Financial Statements
- Paid A/P Invoices
- Cash Receipts Documentation
- Cancelled Checks
- Bank Statements
- Financial Computer Reports

Computer Files: All computer files will be retained according to personal preference. It is suggested that no more than two years of historical information be kept on the network.

111:1 **Kitchen**

Kitchen facilities are available to employees, and the cleanliness and condition of those facilities is the responsibility of those who use them. Please see that your dishes, foods, etc. are taken care of after use.

112:1 **Mail**

All outgoing mail is picked up at approximately noon each day; special arrangements may be made with the operations team should mail need to go out after the normal pick-up time.

113:1 **Noise**

It will be the responsibility of all employees to make an effort to keep noise at a minimum in the office. With the open office concept, there is a necessity to keep voices down, to keep visiting at a minimum, and to always be aware that others are trying to concentrate, use the telephone, or hold a meeting with someone in their work area.

114:1 **Office Supplies**

All office supplies should be ordered by the Director of Operations (or designee). Supplies are ordered at least once a month and are inventoried regularly. If there is a special need, notify the Director of Operations with a special request by email. Items needed for a special project should be ordered at least one week in advance of the time needed.

115:1 Payment of Bills

In order to maintain a high credit rating, Discover Kalamazoo desires to pay all its bills on time. Please turn in all bills and check requests, including supporting documentation, promptly.

116:1 Publicity

All news releases and other publicity for various activities should be coordinated through the Director of Marketing and Communications. Please give adequate notice for deadlines with media to be met. Also, any notices of press conferences received should be shared with the Director of Marketing and Communications so he/she may attend or cover if desired.

117:1 Purchasing

No employee shall commit and/or sign a contract on behalf of Discover Kalamazoo for any expenditure without first obtaining approval from their supervisor. No volunteer or Board member shall commit Discover Kalamazoo to an expenditure without approval of the President/CEO.

118:1 Out of Office

When leaving the office for an extended period of time (three business days or more), it is recommended that employees record a temporary voice mail greeting and an “Out of Office” message in Microsoft Outlook.

It is also your responsibility to record in the “Staff Out” calendar when you are going to be out of the office on vacation, for a conference or for off-site meetings lasting an hour or more. **If you are out on business travel, please include your travel information in the detail section (i.e.: hotels, flights, emergency contact numbers).**

119:1 Telephone

In answering the telephone, each employee should bear in mind that he or she can make a friend (or lose one) for Discover Kalamazoo every time a call is received. Telephones should be answered promptly and properly, showing every courtesy to the caller. If taking a message for another team member, care should be taken to record it accurately and deliver promptly. Whenever possible, all messages should be returned within 48 hours.

120:1 Team Meetings

Agendas for Team Meetings will be sent out via email by the President/CEO. Please mark your calendar for these meetings and make every effort to be present.

EMPLOYMENT

201:1 Equal Employment Opportunity

Discover Kalamazoo follows an Equal Employment Opportunity (EEO) policy and employs personnel without regard to:

- gender (including pregnancy)
- gender identification (an individual's internal sense of one's own gender)
- sexual orientation (determined by whom an individual is sexually attracted to and also has the potential for loving)
- race, color, ethnic or religious background, descent or nationality
- disability (including past, present, or future physical, intellectual or psychiatric disability, learning disorders or disease – for example, HIV)
- marital status
- age
- height and weight

This EEO policy applies to employment, internal promotions, training, opportunities for advancement, terminations, relationships with outside vendors and customers, use of contractors and consultants and in dealing with the general public.

Discover Kalamazoo also prohibits abusing the dignity of anyone through jokes, slurs or other derogatory comments or statements that refer to ethnic origin, race, sex, religion, age, disability, height, weight or veteran or marital status or through conduct of any objectionable nature.

Compliance with this policy is a condition of employment. Any employee feeling there has been a violation is required to file a complaint with the Director of Operations, in writing, within a reasonable period of time.

Any employee, supervisor or other representative of Discover Kalamazoo who violates this policy will be subject, in the sole discretion of Discover Kalamazoo, to prompt disciplinary action, up to and including termination of employment.

202:1 Harassment

Under no circumstances will Discover Kalamazoo condone or tolerate harassment or discrimination based on race, color, creed, religion, national origin, sex, disability or handicap, age, height, weight, veteran status or marital status.

Harassment is any unwelcome or unsolicited verbal or physical conduct that unreasonably interferes with an employee's job performance or creates a hostile, offensive or abusive working environment. Examples of harassment include, but are not limited to, disparaging remarks, unwelcome or unsolicited touching, threats of physical harm and the use of degrading words, nicknames, pictures, stories or jokes.

Sexual harassment is one form of harassment. Sexual harassment includes:

- Sexual relations, sexual contact or the threat of sexual relations or sexual contact that is not freely and mutually agreeable to both parties;
- Continual or repeated verbal abuse of a sexual nature, including, but not limited to, sexually explicit statements, sexually suggestive objects or pictures, sexually degrading words used to describe the employee, or propositions of a sexual nature; or
- The threat or insinuation that lack of sexual submission will adversely affect the employee's wages, advancement, assigned duties or other conditions that affect employment.

If you believe that you are the victim of any form of harassment, you should immediately report any violation of this policy to the President/CEO or Director of Operations.

It is Discover Kalamazoo's policy to conduct a prompt investigation of any harassment claims and to take immediate remedial action, such as the assessment of discipline, up to and including discharge, of any employee, supervisor or other representative of Discover Kalamazoo, who, after an investigation, is found to have been engaged in this type of offensive practice or conduct. All complaints will be thoroughly investigated and all employees, supervisors and other representatives of Discover Kalamazoo are expected to cooperate fully with any investigation.

We recognize that determining whether a particular action or incident is a purely personal or social relationship without discriminatory employment impact requires a factual determination based on all of the facts and the totality of the circumstances. Given the nature of this type of discrimination, we also recognize that false allegations of harassment can have serious effects on innocent men and women.

We trust that all employees of Discover Kalamazoo will continue to act responsibly to establish a working environment free of discrimination and encourage any employee who has questions about Discover Kalamazoo's nondiscrimination policies, including sexual harassment, to contact the President/CEO or, if you prefer, the Director of Operations.

It is also Discover Kalamazoo's policy to strictly prohibit any retaliation against an employee who, in good faith, had registered a complaint or who cooperates with an investigation under these nondiscrimination policies. Any employee, supervisor or other representative of Discover Kalamazoo who, after investigation, has been found to have retaliated against any employee for using these complaint procedures, or for participating in an investigation, will be, in the discretion of Discover Kalamazoo, subject to appropriate discipline, up to and including discharge.

203:1 Hiring

It is the policy of the organization to hire individuals who are qualified or trainable for employment as determined by our standards of education, experience, aptitude and character. All decisions regarding the recruitment, selection and placement of an employee are made solely on the basis of job-related criteria.

The hiring of an employee shall not be considered as creating a contractual relationship of any specific duration between the employee and the organization; and, unless otherwise provided in writing, such relationship shall be defined as "at-will employment," where either party may terminate the relationship at any time, with or without cause.

If job openings are to be filled from within the organization, the openings will be posted on the employee bulletin board. An employee who desires to be considered for a particular job must notify the President/CEO in writing within five business days after the initial posting.

A relative or cohabitant of an employee will not be given work assignments which require one to directly review or process the work of the other (permitting one to have access to the personnel file of the other).

Former employees who left the organization in good standing may be considered for rehire. A rehired employee will be considered a new employee from the date of rehire unless the break in service is less than thirty days, in which case the employee shall retain applicable benefits.

204:1 Orientation/Training

Upon hiring, the Director of Operations will review all policies and procedures as outlined in this Handbook with the new employee. Ultimately, each employee has individual responsibility for reviewing and complying with this Handbook.

The organization will allow for professional development, based on the organization's need and within budget, at management's discretion.

205:1 Evaluation Period

The first three months of employment are normally an evaluation period during which the employee and the organization determine suitability for one another. Employees should expect stricter standards of attendance and behavior during this period.

206:1 Hours of Operation

Hours of operation are from 8:00 a.m. to 5:00 p.m., Monday through Friday. To ensure coverage during hours of operations, employees are asked to work from either 8:00 a.m. to 4:30 p.m. or 8:30 a.m. to 5:00 p.m. or at the discretion of their supervisor.

Compensation is based upon forty hours per week.

Overtime will be worked only with prior authorization.

On occasion, an employee may be asked to report to work or leave work at a different time than the normal working hours described above.

207:1 Outside Employment

Any full-time employee must obtain approval of the President/CEO before engaging in additional employment outside the organization.

208:1 Temporary/Part-Time Employees

A. Temporary (auxiliary):

Temporary employees are persons who are employed as needed for limited periods of time and, as such, are not eligible for benefits.

B. Regular Part-Time:

Regular part-time employees are those who work thirty hours or less per week, and are not eligible for benefits, except as follows:

401(k): Regular part-time employees who work more than 1000 hours per year will be eligible for retirement benefits in accordance with retirement regulations.

209:1 Termination

The employment relationship may be terminated at any time by either the organization or the employee, with or without cause. Employees who resign are expected to give a minimum of two weeks advance notice of their resignation.

Upon termination of employment, employees with one or more years of employment will be paid any unused PTO they have accrued and any eligible (not to exceed 80 hours) PTO carried over from the prior year. There is no pay-out of current, unused PTO for employees with less than one year of service. If two weeks notice is not provided, the employee forfeits the pay-out of current unused PTO. **No PTO is permitted to be used during the final two weeks of employment.**

Two weeks of pay in lieu of notice will be given to an employee if the employment relationship is terminated by the organization, unless the employee is terminated for cause. No pay in lieu of notice will be given to employees with less than one year of service.

210:1 401(k)

Full-time employees and certain part-time employees are eligible for participation in the organization's retirement plan in accordance with ERISA rules. (Refer to Section 505:1)

PAY PRACTICES

301:1 Salary Administration

Salaries are determined by the President/CEO, based on budget allocations and salary framework approved by the Board of Directors. Increases in salary are similarly determined.

Salary increases are given as recognition for work regularly performed well and efficiently. Performance, attitude and the assumption of additional responsibility by employees are key factors in determining salary increases. All salaries are reviewed at least annually. No salary increases will be given unless a performance review has been completed and properly recorded.

There will be no advances against salaries.

302:1 Performance Appraisals

Each employee's performance is reviewed annually.

The President/CEO will review the performance of all employees. The President/CEO may delegate to others the review of their team members and regular part-time employees. Such reviews are then delivered to the President/CEO for further review and acceptance.

303:1 Job Description Evaluations

The organization may, from time to time, review and/or change job descriptions in order to keep them current and to reflect organizational changes. At a minimum, job descriptions should be reviewed during the employee's annual review.

304:1 Pay Days/Loans

Paychecks are issued on the 15th day of the month and the last day of the month. Time sheets are due approximately five days before each pay date (or as requested by the Director of Operations). Paystubs will be distributed before 5:00 p.m. on pay day.

The organization will not make loans or issue pay checks in advance.

When a payday falls on a holiday or weekend, checks will be distributed on the last previous work day.

BUSINESS EXPENSES

401:1 Travel and Entertainment Policy

Purpose

Business travel and client entertainment by employees is essential to the way Discover Kalamazoo conducts its business. This policy establishes guidelines for reasonable travel and entertainment expenditures, and sets forth the policies and procedures for employees to obtain reimbursement for actual expenditures they make on behalf of Discover Kalamazoo while engaged in necessary and authorized business.

Policy

Discover Kalamazoo reimburses its employees for all reasonable and actual travel and entertainment expenditures incurred in the performance of necessary and authorized business. Client entertainment (including but not limited to, customers, potential clients and other stakeholders) may be acceptable at the President/CEO's discretion.

The employee and the employee's supervisor share responsibilities for assuring all travel and other business expenditures are reasonable. It is the employee's responsibility to make all travel arrangements in accordance to the travel and entertainment policy.

Employees who are required to travel and/or entertain on behalf of the organization will be provided with a company credit card. The credit card should be used to pay all expenses (i.e., travel, accommodations, meals, entertainment, etc.) incurred by employees. All credit card expenditures must be submitted within five business days after receiving their individual credit card statement. The company credit card is only for business expenses. Failure to follow this policy may result in revocation of company credit card privileges and/or termination of employment.

Responsibilities

Employee's Responsibilities:

It is the responsibility of the employee to:

- Obtain appropriate management pre-authorization for out-of-town business travel.
- Maintain adequate records and obtain receipts for all expenditures for which reimbursement will be requested.
- Complete timely expense reports and attach appropriate supporting documentation.
- Obtain supervisor's approval of expense reports.

Incomplete expense reports, including those without proper documentation, will be returned for completion.

Supervisor's Responsibilities:

It is the responsibility of the employee's supervisor to:

- Provide general approval of travel and other expenditures in advance.
- Review the employee's expense report to ascertain:

- The expense report has been prepared in a complete and accurate manner.
- The expenses for which reimbursement is being requested are reasonable and appropriate, and consistent with the purposes of the trip and supported by original receipts.
- The itinerary and inclusive dates of travel and/or client entertainment are directly related to the organization's business.
- Either indicate approval of the expense report by signing it, or return it to the employee for revision.
- Forward the approved expense report, together with supporting documentation, to the Director of Operations for final review, approval and payment (per approved Discover Kalamazoo Accounting Procedures).

Reimbursement for Travel and Other Expenses

Original (not photocopied) receipts are required for all expenditures. Management realizes under certain circumstances it may not be possible to obtain a receipt (i.e., bellman tips, snacks, vending machine purchases, etc.). In such instances, documentation of the expense is required, and reasonableness is expected.

Retain and submit credit card receipts detailing the items purchased. Generally, a separate credit card receipt (usually in restaurants) is generated for the card holder's signature. This receipt often times does not list what was purchased. Employees should submit the itemized receipt with their expense reports when it is provided, in addition to the signed receipt.

Falsification of receipts or other expense claims will subject the employee to disciplinary action, up to and including termination of employment.

Travel Arrangements

Air Travel

- **Airfare:** Every reasonable effort should be made to utilize the Kalamazoo/Battle Creek International Airport when travelling for business purposes. Ticket stubs, E-ticket documentation, receipts for checked baggage, etc. must be saved and submitted with the expense report as evidence of travel.
- **Class of Travel:** All employees are required to travel in coach class at the lowest available fare. First class travel is strictly prohibited as a business expense. However, the traveler may elect to upgrade travel using upgrade coupons or individual mileage accounts. Any additional cost of upgrades is borne by the employee and is not reimbursable.

Ground Transportation

The least costly form of transportation should be used whenever possible. For example, shuttle services to and from airports and hotels are recommended (pending schedules).

- **Automobiles:** Use of a personal automobile or rental car is acceptable and recommended if the cost of reimbursement for such use, including mileage, fuel, parking and tolls, is less than the cost of other forms of transportation that could have been used and does not incur additional time out of the office for travel.
- **Automobile Rentals:** Automobiles should be rented for business travel only when other forms of transportation are impractical, unavailable and/or more expensive.

When employees travel together, the vehicle rental must be shared.

- **Additional Insurance:** Additional insurance coverage should not be purchased since Discover Kalamazoo has separate specific coverage for these risks. Any claims or accidents should be reported to the rental agency, local authorities (as required), and the President/CEO and/or Director of Operations as soon as possible after an event occurs.
- **Personal Automobile Use:** Employees who use their personal automobiles for business purposes must keep accurate records of the date, mileage and business reason for each trip. Mileage reimbursement for use of a personal automobile is paid at the prevailing rate of the organization.

Lodging

Original documentation, such as hotel bills and credit card receipts, is required for all lodging expenses. Rooms should be reserved at single room rates, unless a room is being shared with another employee or industry partner.

Meals and Entertainment

- **Meals:** Individual meal expenses while engaged in business travel are reimbursable. Employees must submit receipts for all meal expenses.
- **Entertainment:** Meals and entertainment for non-employees will be reimbursed only when business is the primary purpose and the goals of Discover Kalamazoo are enhanced by the expenditure. An original receipt including itemized expenses must be provided for all business entertainment, regardless of the cost. Expense report documentation must include the name(s), title(s) and company affiliation(s) of the participants, as well as primary business subjects discussed. Business entertainment expense at an employee's home is not permitted.

Other Travel Expenses

- **Telephone:** Employees will be reimbursed for business phone calls that are billed directly to the employee. When placing business calls while traveling, the least expensive method should be used (i.e., cell phones rather than hotel billing).
- **Health Clubs:** Employees will be reimbursed for standard health club usage for any business trip which includes an overnight stay.
- **Internet Charges:** Employees will be reimbursed for business related Internet access fees imposed by a hotel, etc., when traveling for business.
- **Gratuities:** Tips should be reasonable and in accordance with local custom. In general, tipping is limited to 20% of the actual cost of the check. Tipping in excess of 20%, including automatic gratuities imposed by the business, will be monitored. The employee should note whether a gratuity is already included.

Combining Business and Personal Travel

Reimbursement for travel combining business and personal purposes will be made only for the portion directly related to the business purpose and only for business expenses incurred by the employee. If airfare or other travel costs (including meals and lodging) are increased due to an interruption for personal plans not associated with the original business intent of the trip, the employee will be expected to assume all incremental costs. If an employee elects

to have family or friends present on a business trip, the amount of reimbursable expenses may not be greater than the cost the employee would have incurred in traveling alone.

Non-Reimbursable Expenses

Employees should use discretion in submitting only expenses directly related to a business purpose. There are certain expenses Discover Kalamazoo believes are not necessary in the performance of the organization's business. Examples of expenses not eligible for reimbursement include, but are not limited to:

- Newspapers/Magazines/Books
- Personal items such as toiletries
- Sight-seeing or touring expenses (unless related to client entertainment or a specific conference)
- Traffic fines or violations
- Costs of babysitting, pet-sitting, etc. while traveling

Reimbursement via the Expense Report Process

Expense reports must be completed and submitted as soon as possible after returning from a business trip, preferably within 30 days if the employee requires reimbursements. Receipts for expenditures which are more than 90 days past the date they were incurred may be considered ineligible for payment.

The President/CEO may make exceptions to this policy, if deemed necessary, to correct any situation viewed as policy abuse.

402:1 Membership in Clubs/Trade Professional Organizations

Membership in professional and business-related organizations may be reimbursable by the organization at the discretion of the President/CEO, if the membership meets the needs of the organization.

BENEFITS

501:1 **For Your Benefit**

The organization provides a number of benefits for its full-time employees. Descriptions of these are included in this section, with details on each available from the Director of Operations.

502:1 **Paid Time Off (PTO) Policy**

Discover Kalamazoo believes that employees should have opportunities to enjoy time away from work to help balance their lives and recognizes that employees have diverse needs for time off from work. Discover Kalamazoo has established this PTO policy to meet those needs. The policy contains provisions for vacation time and sick leave. The benefits of PTO are that it promotes a flexible approach to time off needs. *Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies or other needs that require time off from work.*

Table I

Years of Service	Annual PTO
Years 0-4	19 days
Years 5-9	24 days
Years 10-14	29 days
Years 15+	34 days

PROCEDURE:

Eligibility

PTO begins accruing upon hire or transfer into a benefit-eligible position. Only full-time employees are eligible for PTO.

Table II

Years of Service	Accrual Rate
Years 0-4	.791 days per pay period/1.583 days per month
Years 5-9	1 day per pay period/2 days per month
Years 10-14	1.208 days per pay period/2.416 days per month
Years 15+	1.416 days per pay period/2.833 days per month

Accrual and Payment of PTO

Accruals are based upon paid hours up to 2080 hours per year, excluding overtime, according to the accrual rate per pay period/month. Length of service determines the rate at which the employee will accrue PTO. PTO does not accrue on unpaid leaves of absence or PTO cash outs upon termination. Employees become eligible for the new higher accrual rate on the first day of the pay period in which the employee's anniversary date falls. No PTO hours will accrue beyond the maximum accruals listed. (See Table I)

Use and Scheduling of PTO

Employees are eligible to use PTO immediately upon hire with supervisory approval. PTO can be taken in hourly increments but not less than one hour. Whenever possible, PTO must be scheduled in advance for time off for vacations, personal leave appointments or other reasons. It is subject to supervisory approval, staffing needs and established procedures. Unscheduled absences will be monitored. An employee will be counseled when the frequency of unscheduled absences adversely affect the operations of the organization. The President/CEO may request the employee provide a statement from his or her health care provider at any time concerning the justification for an unscheduled absence. PTO may not be used for missed time because an employee reports late to work, except during inclement weather. PTO is paid at the employee's straight time rate. PTO is not part of any overtime calculation. Employees are required to use available PTO when taking time off from work with the exception of a company-required absence due to low workload or absences occasioned by the company. Employees may not borrow against their PTO banks; therefore, no advance leave will be granted. When PTO is used, an employee is required to request payment of PTO hours according to his/her regularly scheduled workday. For example, if an employee works a six-hour day, he/she would request six hours of PTO when taking that day off. No more than ten (10) days of PTO may be scheduled within a four (4) week period (exceptions may be made for medical procedures and/or emergencies as approved by the President/CEO). Employees who deplete their PTO bank will have to take any time off needed without pay as approved by the President/CEO. If time off without pay becomes excessive, disciplinary action may be required, up to and including termination of employment.

Carry Over

After one year of service, employees are eligible to carry a maximum of 80 hours of PTO into the next year.

503:1 Holidays

The organization normally observes the following holidays by closing:

- New Year's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

Should a holiday fall on Saturday or Sunday, the organization will generally follow the accepted rule of the community. However, the President/CEO reserves the right to make any necessary changes or decisions. Other closings will be at the discretion of the President/CEO.

504:1 Lunchroom Facilities

Lunch area is provided for employees, with refrigerator and microwave appliances available.

Employees are asked to take responsibility for keeping these areas neat and personally being responsible for their own dishes, food wrappers and food. Refrigerator contents should be evaluated and cleared on a weekly basis. Please be considerate of others who may use the area after you.

505:1 401(k)

Supplementing the federal retirement system, the organization provides a 401(k) retirement plan to provide its employees with additional income, beginning at age 65.

Employees age 21 and over, who have been with the organization a minimum of one year, are eligible for participation in this program. Once the one-year eligibility requirement is met, the employee can enroll in the program immediately (opt-in/open enrollment).

For the year 2013 and after, the maximum deferral limit will be adjusted for cost-of-living each year (for more information, please refer to the Summary Plan Description for Kalamazoo County Convention & Visitors Bureau 401k Profit Sharing Plan). Discover Kalamazoo matches 100%, up to 6% of the employee's voluntary contribution.

506:1 Insurance Programs

Health Insurance: The organization provides health insurance for full-time employees. The employee contributes a portion of the premium cost. Premiums vary based on who is covered by the plan. Health insurance is effective following 60 days of employment. The Director of Operations will provide details on the programs upon employment.

Life Insurance: The organization provides employees group life insurance equal to one times annual earnings with an option for employees to buy more. This benefit is available to full-time employees. New employees will be covered following 90 days of employment. Employees should immediately designate their desired beneficiary(ies) on forms, which will be provided by the Director of Operations.

Long Term Disability: Employees become eligible for coverage following a ninety (90) day probation period. Coverage then becomes effective ninety (90) days after a certified total disability. Benefits provide 60% of earnings per month, taking into consideration other income benefits. The maximum monthly payment is \$7,000.

507:1 Parking

Free parking is provided for all employees near the organization's building. Upon hiring, you will be issued a parking pass by the Director of Operations.

508:1 Health Club

The organization will pay half of the monthly cost of membership at the Kalamazoo Athletic Club. Please see the Director of Operations for more information.

BUILDING/EQUIPMENT

601:1 Operation of Equipment/Employee Safety

All employees should be properly trained before using any of the organization's office equipment. The Director of Operations is to be notified whenever a piece of equipment is malfunctioning. All service calls will be scheduled and coordinated by the Director of Operations. It is also essential for efficient and safe operations that work areas be maintained and kept clear of unnecessary clutter and materials.

602:1 Personal Property

The organization cannot be responsible for employee's personal property within the office building. All purses, valuables, etc., should be kept out of sight and in desk drawers or cabinets. The office is open to the public during working hours, and as such, there should be someone in each office area at all times whenever possible.

603:1 Solicitations

No outside solicitations will be permitted (some exceptions may be made at the discretion of the Director of Operations).

604:1 Security

All full-time employees (and part-time employees at the discretion of the President/CEO) will be issued keys to the organization's office. When leaving the office after hours, please make sure doors are locked. These security measures are vital to securing the office from entry by anyone other than authorized employees.

605:1 Work Areas -- Smoking

Smoking is prohibited in all areas of the office. This includes individual offices, rest rooms and the kitchen.

606:1 Cell Phone Policy

Discover Kalamazoo provides individual cellular phones to company representatives who are required to be in close contact with the company at all times. While cell phones are a necessary convenience of the business world, we require that our employees follow the guidelines listed below for their own safety and the safety of others:

- All employees are required to be professional and conscientious at all times when using a company phone.
- Phones are issued for business use.
- Cellular phone bills are reviewed when received.
- **Discover Kalamazoo has a zero tolerance policy regarding using a cell phone or texting while driving.** For the safety of our employees and others, it is imperative that you pull over and stop at a safe location to dial, receive or converse on the cell phone in any way.

607:1 Information Technology Usage

Information Technology (IT) for the purposes of this policy is the systems provided by Discover Kalamazoo for business use. Included in the definition of IT are the local and wide area network infrastructure including telephone (including mobile), facsimile, personal computers, notebooks, servers and the applications running on them. More specifically this includes but is not limited to Discover Kalamazoo's private telephone systems, email systems, voicemail systems, internet access and file storage.

Usage Permission:

Discover Kalamazoo provides IT systems primarily for business use. Private use of these systems is permitted to the extent that such usage does not interfere with the duties and functions of the employee or any other person or organization. Determination of the suitability of any usage rests solely with the President/CEO.

Usage Prohibitions:

- Employees are prohibited from the sending, receiving, downloading, displaying, printing or otherwise disseminating material that is sexually explicit, profane, obscene, harassing, fraudulent, racially offensive, defamatory or otherwise unlawful;
- Employees are prohibited from usage or copying of software in violation of license agreements or copyright;
- Employees are prohibited from usage to interfere with the duties and functions of other persons or organizations;
- Employees are prohibited from the unauthorized usage of codes or passwords and/or other unauthorized access to information.

Monitoring/Investigating:

Discover Kalamazoo reserves the right, for business and legal compliance purposes, to enter, search, and/or monitor Discover Kalamazoo IT systems including email, voicemail, internet, file storage etc. without advance notice and consistent with applicable state and federal laws. Employees learning of any misuse of the company's IT systems shall notify the Director of Operations immediately. All passwords and access codes must be made available upon request.

608:1 Social Media Policy

Discover Kalamazoo understands that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers, however, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, the following guidelines for appropriate use of social media have been established.

(This policy applies to all employees who work for Discover Kalamazoo):

Guidelines

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking site, web bulletin board or a chat room, whether or not associated or affiliated with Discover Kalamazoo, as well as any other form of electronic communication. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow employees or otherwise adversely affects members, customers, suppliers, people who work on behalf of Discover Kalamazoo may result in disciplinary action up to and including termination of employment.

Carefully read these guidelines and the entire Discover Kalamazoo Employee Handbook to ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination of employment.

Always be fair and courteous to fellow employees, customers, members, suppliers or people who work on behalf of Discover Kalamazoo. Also, keep in mind that you are more likely to resolve work related complaints by speaking directly with your co-workers than by posting complaints to a social media outlet. Do not post statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, members, employees or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or company policy.

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about Discover Kalamazoo, fellow associates, members, customers, suppliers, people working on behalf of Discover Kalamazoo or competitors.

Maintain the confidentiality of Discover Kalamazoo's trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.

Do not create a link from your blog, website or other social networking site to the Discover Kalamazoo website without identifying yourself as a Discover Kalamazoo employee.

Express only your own personal opinions. Never represent yourself as a spokesperson for Discover Kalamazoo. If Discover Kalamazoo is the subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not necessarily represent those of Discover Kalamazoo, fellow employees, members, customers, suppliers or people working on behalf of Discover Kalamazoo. If you do publish a blog or post online related to the work you do or subjects associated with Discover Kalamazoo, make it clear that you are not speaking on behalf of Discover Kalamazoo. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of Discover Kalamazoo.”

Social media usage while on work time must be kept to a minimum unless it is work-related as authorized by your supervisor.

Discover Kalamazoo prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination of employment.

ABSENCE FROM WORK

701:1 Punctuality

The work of all depends upon individual cooperation. Occasional unavoidable tardiness of a few minutes can usually be made up that same day. Managers are charged with the responsibility and authority for seeing that office hours are observed within their respective teams. Repeated tardiness will be discussed with the employee involved and may lead to appropriate disciplinary action up to and including termination of employment.

702:1 Leaving the Office

Whenever you are leaving the office, word should be left with someone in the office, as to where you will be and the approximate time you will return. Any time you do not expect to be in the office the following work day by 8:30 a.m., advise the Director of Operations of your expected arrival time.

Every effort should be made for someone to be in the office and on duty at all times during the regularly scheduled office hours. Personal contact between the organization and the public is especially important in daily operations.

703:1 Lunch Breaks

The lunch period each day is not to exceed one hour. Employees will arrange lunch schedules that will provide coverage for all departments whenever possible.

704:1 Bereavement

Upon approval of the President/CEO, full salary will be allowed for time off in the event of a death of a member of the employee's immediate family. Sufficient time off shall be given to cover the period between death and burial — no more than three days.

The immediate family of an employee is normally considered to be:

- A current spouse or partner, or child of the employee.
- A parent of an employee, a parent of the current spouse or partner of an employee, or a lineal grandparent of an employee.
- Brothers, current brothers-in-law, sisters or current sisters-in-law of an employee.

In case of the death of a relative (not a member of the immediate family) or friend of an employee, one day's absence with pay will be allowed.

705:1 Jury Duty

All employees are encouraged to serve when called for jury duty. Employees will receive, as jury duty pay, an amount equal to the difference between their regular pay for the day and jury fee paid by the court (for example, when an employee serves one day of jury duty, Discover Kalamazoo will pay the employee their normal salary for that day; the employee, in turn will provide Discover Kalamazoo with the check provided by the court).

706:1 Military Duty

Employees who enter the armed forces shall be given a leave of absence in accordance with federal law.

707:1 Leave Without Pay

There are times when it is necessary for an employee to take time away from his or her job in excess of his or her available paid time-off. The organization will consider granting leaves of absence without pay on a case-by-case basis, and in accordance with local, state and federal law. Upon authorization of the President/CEO, employees may be granted a leave of absence without pay, however, no more than one-half of the duration for an extended leave can be without pay (i.e., if 40 days of leave is requested, then not more than 20 days would be without pay with PTO being used to cover the remainder of the leave).

CONDUCT

801:1 Behavior of Employees

Orderly conduct and courtesy toward the public and fellow workers should be observed at all times. Discover Kalamazoo is an institution that is very visible to the public and is judged to a great extent by its personnel.

802:1 Personal Appearance

Every employee has some contact with the public, and therefore represents the organization in his or her appearance, as well as by his or her actions. The properly attired employee helps to create a favorable image for the organization.

Business attire is mandatory. Clothing should be clean and neat in appearance. Good personal grooming is essential; hair should be clean and neat.

Acceptable men's attire includes: business suits; sports jackets or blazers with coordinated slacks; collared shirts; nice sweater and dress shoes.

Acceptable women's attire includes: business suits; business dresses; coordinated skirts, blouses, and blazers; and dress shoes.

The following attire is unacceptable: t-shirts, jogging suits, sportswear, shorts, very short skirts or dresses, jumpsuits, sheer clothing, garments that are unnecessarily revealing, slippers, tennis shoes, casual loafers, or work boots.

If an employee dresses inappropriately, he or she is counseled by the Director of Operations. Dress code violations that are exceptionally unprofessional or unsafe can result in the employee being sent home. Repeated violations of the dress and grooming policy can result in disciplinary action up to and including termination of employment.

Discover Kalamazoo will make reasonable accommodations for dress or grooming directly related to an employee's religion, ethnicity, or disabilities.

Fridays have been designated Casual Fridays. Appropriate dress will be business casual (with the exception of wearing jeans for charity) and will not include jogging or athletic apparel, or tennis shoes.

803:1 Personal Finances

Each employee is expected to make all possible efforts to avoid paycheck garnishments by creditors. When a creditor garnishes a paycheck, it is embarrassing to the employee and inconvenient to the organization.

If the organization does receive a garnishment order from a court, it has a legal obligation to obey the order and will have to make deductions from your paycheck. Should this happen, the employee will be counseled as to alternate ways to pay off the court judgment and will be expected to take whatever actions are necessary to avoid future garnishments.

804:1 Business Relations

One of the organization's most important functions is service which is efficient and cheerfully extended. When requested to assist a client, every effort should be expended to assure that the requested information is secured or service extended. Requests from the President/CEO and/or Board of Directors will take priority.

The organization represents the community in many cases, and employees must therefore do so in a gracious manner. The public looks to the organization for many things. We represent the destination, especially to the visitor.

Discover Kalamazoo does not endorse by letter any business firm, individual, or project, unless by expressed approval of the Board of Directors.

805:1 Personal Phone Calls

An excessive number of personal telephone calls interrupts the office's normal work pattern and hampers our ability to conduct business. Accordingly, both incoming and outgoing personal telephone calls are expected to be kept to a minimum.

806:1 Confidential Nature of Organization Affairs

Many times the organization is taken into confidence by others. Confidence must be treated as such and not exchanged with others, either inside or outside of the office. The same applies to information given by a superior to others in the organization.

807:1 Corrective Action Program

As stated elsewhere in this Handbook, all employees of Discover Kalamazoo are "at will" employees and the employment relationship may be terminated at any time by either the organization or the employee, with or without cause. Situations may arise, however, where the organization determines that some form of corrective action is necessary for employee conduct. In those situations where the organization deems it appropriate, this corrective action program may be utilized.

The specific level of corrective action to be applied by the organization will vary, depending upon the organization's evaluation of the seriousness of the problem and the level of corrective action necessary to correct it. The type of corrective actions available is as follows:

1. Oral Counseling: The President/CEO, or a designated person, may provide an individual with oral counseling in an effort to resolve job-related problems. A written notation that such counseling was given will be included in the employee's personnel file.
2. Written Reprimand: In some cases, the President/CEO, or a designated person, may give an employee a written reprimand, which will be given to the employee (with a copy placed in their personnel file).

3. Suspension: On rare occasions, because of the severity of a problem, it may be necessary to suspend an employee with or without pay for a period of time in order to induce corrective action. A written statement of a suspension will be placed in the employee's personnel file.
4. Dismissal: A serious offense or repeated disciplinary problems may require dismissal. While employment may be terminated at any time without cause, examples of conduct that can result in dismissal for a single incident are dishonesty, insubordination, immoral conduct, theft, use of drugs or alcohol, or other serious misconduct.

This Corrective Action Program does not modify or alter the at will nature of employment.

The organization is not required to apply the various steps of corrective action in any particular order, and it is not required that any specific step be taken prior to the institution of another step.

An employee may be placed on a corrective action period to correct his or her deficiencies. If the organization is dissatisfied with the progress the employee is making at any time during the period, the employment relationship may be terminated. This period may be of any duration up to ninety (90) days.

All disciplinary action administered by Discover Kalamazoo, with the exception of first warnings, must be in writing. A copy of the report of disciplinary action must be given to the employee involved and a copy shall also be included as a permanent part of the employee's personnel file.

808:1 Substance Abuse Policy

Purpose

Discover Kalamazoo has a vital interest in maintaining safe, healthful and efficient working conditions for its employees. Being under the influence of drugs or alcohol on the job poses serious safety and health risks not only to the user, but also to all of those who work with the user. The unlawful use or possession of, or trafficking in, drugs or the abuse of alcohol may pose unacceptable risks for safe, healthful and efficient operations.

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

It is Discover Kalamazoo policy:

- To encourage and assist employees who may be abusing drugs or alcohol to seek and complete treatment in a recognized rehabilitation program.
- To discipline employees, up to and including termination of employment, for the use, possession of, or being under the influence of alcohol on Discover Kalamazoo property or while engaged in Discover Kalamazoo business, except as allowed at Discover Kalamazoo functions or as the President/CEO may otherwise direct; and to discipline employees up to and including termination of employment for trafficking in or for the unlawful use or possession of drugs, or having drugs in their system while on Discover Kalamazoo property or while engaged in Discover Kalamazoo business.
- To encourage all employees to report use, possession, or being under the influence of alcohol on Discover Kalamazoo property or while engaged in Discover Kalamazoo business; and to report the trafficking in or the unlawful use, possession of, or being under the influence of drugs on Discover Kalamazoo property or while engaged in Discover Kalamazoo business.

MISCELLANEOUS

901:1 Personnel Records

All records which affect or may affect an individual's employment, such as a job application, commendations, corrective action notices, etc., shall be included in the employee's personnel file.

Each employee may, upon written request, review his or her personnel file and may be given copies of the contents of the file. If an employee disagrees with the contents of any document placed in his personnel file, he may enter into the file a written statement indicating his or her disagreement with that document.

Only the President/CEO, or designated representative, is authorized to provide information on former employees.

902:1 Suggestion Program

Employee suggestions are encouraged. Team members have generated many of our best ideas for improved operations. The organization prides itself on a "team" approach to management.

If you have a suggestion, please email it to your immediate supervisor or the President/CEO (or utilize the suggestion box located in the rear of the office).

903:1 Grievance Procedure

If an employee is dissatisfied with a term or condition of his or her employment, he or she should first discuss the matter with their immediate supervisor. If an oral discussion of the matter does not resolve it, the employee should present a written grievance to his or her supervisor, who will discuss it with the President/CEO, or a designated person, and the employee in an effort to resolve the matter.

AMENDMENTS

The organization retains the right to unilaterally amend or modify these policies at any time. When such amendments or modifications are made, all employees will receive copies of the amendments or modifications and will be asked to initial and/or sign the amendment to confirm receipt.

Acknowledgement of Receipt of Discover Kalamazoo Employee Handbook

I understand that the Discover Kalamazoo Employee Handbook is a guideline to which I may refer if I have questions about my job and career at Discover Kalamazoo. I understand that the information and statements contained in the Employee Handbook are presented as a matter of information only and none of the information or statements contained in it is intended to create or be construed to constitute a contract for employment for any specified period of time between Discover Kalamazoo and me. I further understand that the Employee Handbook will be reviewed periodically by Discover Kalamazoo, and that Discover Kalamazoo reserves the right, in its sole discretion, to alter, amend, modify, interpret or terminate any benefits, provisions, policies or procedures of Discover Kalamazoo, including those contained in the Employee Handbook at any time if it so chooses.

I acknowledge and understand that no one except Discover Kalamazoo can alter or change, verbally or otherwise, any of the provisions contained in the Employee Handbook and that any changes to this Employee Handbook can only be made by Discover Kalamazoo in writing. I further understand and agree that the Employee Handbook supersedes all prior representations or statements, oral or written, made to me about my employment.

In further consideration of my employment, I agree to conform to the rules and regulations of Discover Kalamazoo and I also agree that my employment and compensation are “at-will” and may be terminated, with or without cause and with or without notice, at any time, at the option of either Discover Kalamazoo, or myself. I understand that no employee, supervisor or other representative of Discover Kalamazoo, other than the President/CEO has any authority to enter into any employment agreement for any specified period of time, and no one may make any agreement contrary to the provisions contained in this Employee Handbook, unless the President/CEO makes such an agreement in writing directed to me personally. I further acknowledge that no one has made any representations or statements to the contrary to me, either oral or written, and I acknowledge and understand that no one has the authority to make such representations or statements to the contrary in the future.

I have received and read the Employee Handbook of Discover Kalamazoo and I understand its contents and agree to abide by the policies stated here.

Employee’s Signature

Date