

# METRO CORP

MANUAL FOR MANAGERS

## Purpose Of This Manual

Being a manager is difficult. You have your own individual job responsibilities and you are also responsible for leading and managing a team of other employees.

Metro Corp. ("Metro Corp." or the "Company") developed this manual for managers (the "Manual") with two purposes in mind. First, we wanted to provide concise, accurate information to increase your ability to build and manage a productive workforce. Second, in the event you encounter difficult employee issues in the scope of your responsibilities, we wanted to provide you with the tools to address these problems effectively in conjunction with the Company's Human Resources team, while protecting the Company and yourself from potential legal liability. The Manual also provides forms for dealing with a variety of circumstances.

While it is not possible to answer every question or to predict every possible employee scenario, we have attempted to provide you with general guidelines concerning the policies, programs, and standards of the Company. We have made every effort to make this Manual clear and readable. Some actions, while not violations of the law, still violate Company policy and practices. If you have any questions, you are encouraged to discuss the matter with someone in the Human Resources team.

This Manual supplements the Company's Employee Handbook – it does not replace it. Please be aware that as a manager, you remain an employee of the Company and are expected to comply with and to enforce the policies and procedures in the Employee Handbook.

THE POLICIES, PROCEDURES AND BENEFITS DESCRIBED IN THIS MANUAL ARE NOT, NOR SHOULD THEY BE INTERPRETED AS, A CONTRACT OF EMPLOYMENT OR A GUARANTEE OF BENEFITS. WHILE THE COMPANY EXPECTS TO CONTINUE ITS POLICIES, PROCEDURES AND BENEFITS, IT RESERVES THE UNCONDITIONAL RIGHT TO MODIFY, REVOKE, SUSPEND, TERMINATE OR CHANGE ANY OR ALL SUCH POLICIES, PROCEDURES AND BENEFITS AT ANY TIME AND WITHOUT NOTICE, AND SUCH PRACTICES AND PROCEDURES WILL BE AUTOMATICALLY AMENDED IN ORDER TO COMPLY WITH APPLICABLE LAWS. NO INDIVIDUAL AT METRO CORP. HAS THE AUTHORITY TO ALTER, REVISE, AMEND OR REVOKE ANY POLICY ORALLY OR IN WRITING, OR TO MAKE ANY CONTRACTUAL COMMITMENTS REGARDING EMPLOYMENT WITHOUT THE EXPRESS WRITTEN CONSENT OF THE CHIEF OPERATING OFFICER OF THE COMPANY.

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## **SECTION 1: GENERAL**

### **Manager Responsibilities**

As a Company manager, you are expected to set an example for your direct reports and other Company employees. As such, you should personally adhere to Company procedures and policies on a day-to-day basis.

We must all work to ensure prompt and consistent action against violations of Company policies and practices. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance from Human Resources before you act.
- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with the Human Resources team or, if appropriate, the Company's Chief Operating Officer ("COO"). In many cases, they will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is their role to help solve problems.

### **Conflicts of Interest**

There can be no conflict, or appearance of a conflict, between the self-interest of any manager or employee and the responsibility of that individual to the Company. A "conflict of interest" exists when a person's private interest interferes in any way with the interests of the Company. A conflict situation can arise when an individual takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest may also arise when an individual or members of his or her family, receives improper personal benefits as a result of his or her position at the Company.

It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, vendor, advertiser or service provider.

We seek to outperform our competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures from others is strictly prohibited.

Conflicts of interest may not always be clear-cut, so if you have a question about your activities or those of an employee you supervise, please consult with the Company's Human Resources team. Any manager who becomes aware of a conflict or potential conflict must bring it to the attention of the Human Resources team or the COO of the Company.

### **Employment At-Will**

Employment at the Company is at-will. This means that all employees (including managers) and the Company may terminate the employment relationship at any time, with or without notice, and for any lawful reason. No one at the Company (including managers) has the authority to alter the at-will nature of the employment relationship without the express written consent of the Company's COO. Any manager who attempts to alter the at-will status of an employee either verbally or in writing will be subject to immediate disciplinary action, up to and including termination.

### **Equal Employment Opportunity**

Metro Corp. is an equal opportunity employer and follows a policy of administering all employment decisions and personnel actions without regard to race, color, religion, creed, sex, pregnancy, national origin, ancestry, age, physical or mental disability, veteran or marital status, sexual orientation, genetic information, or any other category protected under applicable federal or state law. Consistent with obligations of state and federal law, the Company will make reasonable accommodations for qualified individuals with disabilities. Any employee who needs a reasonable accommodation should contact his or her manager or Human Resources.

As a manager, all of your day-to-day actions and decisions should be made in accordance with this EEO statement. In addition, you should be prepared to field questions from employees having questions or concerns regarding this policy and, if necessary, refer them to the Human Resources group. Your failure to do so may legally bind the Company. Accordingly, your compliance with the Company's EEO and other policies will be reflected in your performance evaluation and may result in disciplinary action, up to and including termination.

### **The Human Resources Team**

Throughout this Manual, you will see references to the Company's Human Resources team. The individuals on this team, listed below, are most familiar with Company policies and practices. You should proactively involve them in all employee issues, before any decisions have been implemented.

- Alexandra Nodiff (Philadelphia) 215-979-7494
- Rick Waechter (Philadelphia/Boston) 215-656-3503/617-275-2001
- Heather Mitus (Boston) 617-275-2006

## **SECTION 2: HIRING AND PERFORMANCE MANAGEMENT**

### **Hiring Procedures**

When hiring employees or filling vacancies in your department, you are expected to familiarize yourself with and follow the Company's policies on Equal Employment Opportunity and other policies found in the Company's Employee Information Manual. Before initiating hiring procedures for any newly created (non-budgeted) position or extending any offer of employment for a vacancy for which the salary level would be increased, or changing any terms from the standard offer letter, you must obtain the advance written approval of the COO.

#### **Posting the Position:**

When you decide to hire a new employee or replace existing employees in your department, you are responsible for posting the job internally and externally, collecting resumes for candidates and interviewing applicants. Other recruiting methods also may be used to fill open positions in the best interest of the organization (although you may not retain a recruiting firm without advance written approval from the Company's COO). If a position is new, you must first get advance written approval from the COO before posting the job. If you are replacing an employee and are increasing the salary level, you must also have approval prior to an offer being made.

#### **Applications:**

All applicants must fill out an application for employment; applications are available at the reception desk or from Human Resources. Applications should be kept by you throughout the interview process. All applications for a position, regardless if they resulted in a hire, should be sent to Human Resources when the job is filled. As a matter of practice, Human Resources will retain all applications for hired employees as part of the employee personnel file. Applications for applicants who are not hired will be retained for two years.

#### **Promoting From Within:**

You are encouraged to promote from within if you have an open position available in your department. The Company is looking to fill positions with the best candidate, therefore, do not promote from within if this standard is not met. Generally, internal candidates should still go through the formal interview process as would any outside applicant. Eligible employees will be considered for the posted jobs for which they possess the required skills, competencies, and qualifications. If you promote or transfer a current employee, you must fill out an Employee Change Form and attach the employee's goals for the position.

#### **Offers:**

All non-standard terms for a potential offer of employment must be pre-approved by the Company's COO before being communicated verbally or in writing to the prospective employee. Upon approval, you will receive a standard offer letter which will set forth information such as position, salary, compensation rate and start date. (A form offer letter is located in the Appendix). Any arrangements made between you and the potential employee must be communicated to the Human Resources team so that they may be included in the offer letter.

If an arrangement is not outlined in the letter, it will not be considered to be valid. All offer letters will have an expiration date of no later than two business days from the date of the letter. If an offer is not accepted in writing in this time frame, it will become void. All offer letters must be signed by the CEO of Philadelphia or Boston. The offer letter must include the following attachments:

- Job Description
- Non-Competition and Non-Solicitation Agreement (sales and marketing)
- Confidentiality Agreement
- Compensation Plan if incentive compensation based.

If the candidate has questions before their start date about compensation, benefits or information regarding the company, please direct that person to the appropriate Human Resources team member. On the employee's first day of employment, he or she must meet with a representative of the Human Resources team to complete the orientation process (Due to timing conflicts, this process may be delayed up to 3 days after the employee's start date).



## **OVERVIEW OF HIRING PROCESS**

### **Open Position Is Identified**

- determine need for headcount
- set core competencies, skills and experience requirements
- develop job description
- establish compensation parameters
- gain approval to fill
- create recruitment strategy



### **Sourcing the Right Candidates**

- post openings
- search sites
- direct marketing of position



### **Qualifying the Candidates**

- preview resumes/ candidates complete employment application
- phone screen
- gather reference information
- conduct reference checks (pending offer)
- skills test administration (if applicable)



### **Extending the Offer**

- determine the compensation package
- create the offer letter
- offer of at-will employment is accepted



**NEW EMPLOYEE BEGINS WORKING**

## **Contracts & Agreements**

All contracts and agreements must be reviewed and approved by a Business Manager (only for agreements under \$10,000) or by the COO before they are executed. No manager has the authority to enter into a contract/agreement on the Company's behalf without the advance approval of the COO or Business Manager, with the exception of standard freelance agreements for the editorial and art departments, provided the standard forms have not been altered. Once a manager receives a signed contract or agreement, he or she must deliver the original to a member of the Human Resources or Accounting team.

## **Employment of Relatives/Fraternization**

The Company permits the hiring of relatives, life partners, or significant others in circumstances that do not present an apparent conflict of interest. The Company, in its sole discretion, will determine whether a conflict of interest exists.

Relatives will not be permitted to supervise one another (directly or indirectly), and relatives will not be hired, promoted or transferred into the same department as an employee who is a relative. Managers should not access salary information, performance reviews, or other confidential information concerning a relative. If two employees become related after employment and their positions present a conflict with this policy, one of the two should offer to be reassigned to another position if it is available.

The Company strongly discourages managers from engaging in romantic relationships with non-management employees, even if such employee is not a direct report. Relationships between management and non-management employees raise issues of equity, fairness and favoritism. If the Company becomes aware of any such relationship, both parties may be interviewed, they may be asked to terminate the relationship or the management employee may be asked to leave the Company.

Relationships between non-management employees are not addressed by this section. However, if a relationship between employees disrupts the workplace or performance, the matter should be referred by a manager to Human Resources.

## **Performance Evaluations**

Metro Corp.'s goal is to provide regular feedback to employees about performance expectations as well as to complete written performance evaluations on an annual basis. The written performance evaluations should include a review of the quantity and quality of the work performed, as well as an employee's initiative, attitude, responsiveness, and ability to work successfully with his or her colleagues. Depending upon an employee's job description, a performance evaluation also may include a review of other relevant factors.

It is important that you are honest and forthright in reviewing an employee's performance. Additionally, you should aim to have informal mid-year reviews with employees to determine if goals are being reached.

Positive performance evaluations do not guarantee increases in salary, the payment of sales incentive payments, or any other type of discretionary compensation. Promotions, salary increases, and discretionary payments of any kind are solely within the discretion of the Company, and depend upon many factors in addition to individual performance.

The performance evaluation should then be shared with the employee and signed off on by both you and the employee. When this process is completed, all performance reviews must be given to the Human Resources Team for final approval before being placed in the employee's personnel file. A completed review is a prerequisite for any merit-based compensation increase.

Managers will not be eligible for a potential salary increase unless and until the annual performance review process for all direct reports is completed. In addition, since performance management is a critical managerial responsibility, the failure to timely complete and deliver employee performance evaluations will be reflected in a manager's own performance evaluation.

## **Performance Issues**

Employees who are experiencing performance-related problems may be put on a performance plan, with the goal being that performance will quickly improve to a satisfactory level. Performance plans are individually tailored to meet the needs of the employee and the particular situation.

As employment with the Company is at-will, a performance plan does not guarantee continued employment for any length of time, including the duration of the plan itself. The Company does not guarantee an employee the right to be placed on a performance plan, and it retains the right to terminate an employee's employment at any time, before or after implementation of a performance plan, or during its execution. Moreover, placement of an employee on a performance plan does not change, alter, or modify the at-will nature of the employee's employment.

If you find you are having performance issues with one of your employees, you should adhere to the following guidelines:

1. Consult with a member of the Human Resources team about your concerns. Depending on the level of the employee and the nature of the concern, the matter may be elevated to the COO.
2. Hold a meeting with the employee to address your concerns. You should let a member of the Human Resources team know about the meeting in advance, in case they wish to be present in the meeting. Follow up the meeting by drafting a written summary of your discussion and listing the steps necessary for the employee to improve his/her performance. This summary will be reviewed by Human Resources and then delivered to the employee, with a copy of the summary placed in the employee's personnel file.
3. You should monitor the employee and continue working with employee to try to work out the performance issues. If, after a reasonable amount of time (as determined in the sole discretion of the COO), the employee is still having performance issues the manager is then expected to report back to Human Resources and make a decision at that point to further work with or to terminate the employee.

## **Personnel Files**

Human Resources maintains a personnel file for each employee which is kept confidential by the Company with access only provided on an as necessary basis. Personnel files may include hiring information, evidence of compensation, performance appraisals, and any other documents related to employment. Employees are entitled to read the contents of their

personnel files. Managers should direct employees who wish to see their personnel files to make a request directly to Human Resources in Philadelphia. Requests should be in writing, and made with at least one day's notice. The Company retains personnel files throughout an employee's employment with the Company, and for at least six years.

## **Employee Pay, Salary Changes and Bonuses**

Managers should refer all employee questions or concerns regarding their rate of pay and other compensation issues to the Human Resources group.

Pay: Employees will be paid on the fifteenth day and the last day of the month. If the regular payday occurs on a Saturday, Sunday, or a holiday, employees will be paid on the last working day before the regular payday.

On each payday, employees may go online and access their pay stub information, including, a statement showing gross pay, deductions, and net pay. Local, state, federal, and Social Security taxes will be deducted automatically. No other deductions will be made unless required or allowed by law, contract, or employee obligation (such as child support payments). Employees may elect to have additional voluntary deductions taken from their pay only if they authorize the deductions in writing.

Salary Changes: All salary changes and bonuses not included in an employee's compensation plan or as part of an approved and budgeted compensation incentive plan must be approved in advance by the COO. All salary increases that are not budgeted for or fall under normal Company guidelines for raises must be approved in advance and in writing by the COO.

Requests for any salary changes must be accompanied by a performance review to justify the change. If the request is not accompanied by a performance review, it will delay the processing of the request. Salary increases, if warranted, typically coincide with an employee's performance review cycle. You should aim to keep your employees on a January 1st performance and compensation review cycle.

Bonuses: Requests for bonuses should be accompanied by a written and signed explanation for the request, as well as any other available documentation supporting the request.

## SECTION 3: ADMINISTRATIVE PROCEDURES

### **Benefits**

From time to time, employees may have questions about the benefits currently offered to employees by the Company. Please note that eligibility for certain benefits may be contingent upon a number of factors, including the employee's characterization by the Company (e.g. full time, part-time, temporary), the number of hours an employee is regularly scheduled to work and an employee's length of service with the Company. The actual terms and conditions of benefits are governed by the official plan documents. Benefits offered by the Company are an important part of the Company's commitment to its employees. However, the Company reserves the right to terminate, suspend, withdraw, amend or modify any of its benefits plans in whole or in part at any time, without prior notice, to the extent permitted by law.

Since benefits issues are often complex and specific to each individual, please refer employees with benefits questions or concerns to the Employee Information Manual, as well as to a member of the Human Resources team. Do not try to interpret the benefit documents for employees – doing so may lead to conveying incorrect information and conflicting with the terms of our policies.

### **Vacation**

The Company's vacation policy, as defined in the Employee Information Manual, allows for new employees who have completed three (3) months of continuous employment to begin taking accrued vacation time. Employees with greater tenure may be eligible for more vacation time, but managers should always confer with Human Resources before confirming the amount of an employee's vacation time eligibility. Please note that vacation accruals are not lockstep, so please refer employees to the Human Resources team with vacation accrual questions. Please note that the Company's policy on vacation is "use it or lose it." In other words, an employee who does not use all of his accrued vacation in a calendar year generally cannot roll it over to the next year. Managers are expected to monitor employee time off to ensure compliance with the Company's vacation policy. Managers may not authorize any exceptions to the vacation policy for any employee without approval in advance from the COO.

**Managers are not authorized to make exceptions to the Company's vacation policy when hiring a new employee, promoting a current employee, or trying to keep an employee on staff (this includes providing flexible work arrangements) unless specifically approved in writing by the COO**

All requests for approved scheduled vacation should be reported on the [commonoffice.org](http://commonoffice.org) website. When employees leave, they are paid for their unused vacation time. Therefore maintaining current records of time off used is important. It is the manager's responsibility to make sure that all sick, personal and vacation day time off is accurately reflected on the [commonoffice.org](http://commonoffice.org) website.

### **Office Closings/Delayed Openings**

The office is officially open each and every business day, regardless of weather conditions unless the Governor declares a state of emergency and makes travel to the office off-limits or there is a significant problem in the building. In the extremely unlikely event that the office will be closed, the Company will announce the closure and leave a message on its main number.

All employees are expected to make every reasonable effort to report to work on time to minimize disruption of normal work routines. Generally, absence due to weather conditions caused by individual transportation problems or location of residence will be considered a personal or vacation day. Managers are expected to notify Human Resources of employee absences.

Early office closings announced by the Company are intended to provide reasonable extra time for anticipated commuting difficulties. All early closings due to inclement weather are treated as normal working days. All employees are expected to remain at work until the announced early closing time. If the Company is officially closed for business during normal business hours due to severe weather conditions or other circumstances, employees will be paid for those hours missed.

## **Travel Policy**

Business travel should be conducted with the best interests of the Company in mind. Managers should ensure that employees have arranged the most economical travel arrangements possible when on Company business. Accommodations should be clean, safe, and in relative proximity to the destination.

## **Expense Reporting**

The Company requires honest and accurate recording of expenses in order to make responsible business decisions. Many employees regularly use business expense accounts, which must be documented and recorded accurately. For employees who travel or otherwise accrue business expenses, a monthly expense report must be submitted for each business trip or expense. In order to ensure reimbursement of authorized business expenses, an expense report should be turned in within thirty days of return from incurring the expense. All expense reports must be supported by original receipts and must be signed by the employee. Receipts are required for all expenses except: cab rides less than \$20 as long as the purpose of the travel is listed, parking at coin meters, bus and subway rides and mileage, as long as the purpose of travel is noted. Receipts should be attached to the expense report in the order on which they appear on the form. Expenses without receipts will be reimbursed at the discretion of the Business Manager or the COO.

As a manager, you are responsible for reviewing, approving and signing off on employee expense reports. It is also your responsibility to ensure that all of the expenses listed on submitted expense reports are reimbursable according to the Company's expense reimbursement guidelines, which can be found in the Appendix to this Manual. If you are not sure whether a certain expense is legitimate, ask someone in the Accounting department or a member of the Human Resources team.

Many expenses (such as "working lunches," dry cleaning, tips in excess of 20%, going away parties, personal expenses) are not reimbursable under Company policy, so please check with Accounting or Human Resources before communicating approval to the employee.

It is Company policy to not provide funds for "going away" parties. Intercompany entertaining is not allowed as a business expense.

Also, since gifts to employees are not allowable as a tax deduction unless part of a length of service policy, any gifts given to employees are taxable to the employee.

## **Budgets**

Budgets are compiled once a year by the accounting department. Managers are not permitted to change or alter the final budget. You are responsible for achieving the budget provided to you. Managers will receive copies of a monthly profit and loss statement for your department so that you can monitor your expenses. If you have an area of concern during the year, it should be addressed directly with the Controller.

## **Office Phone Usage**

Employees are expected to use office phones for business purposes. Personal phone calls should be kept to a minimum. The Company reserves the right to charge employees (including managers) for personal phone calls.

Employees with Company-provided cellular phones are expected to use the phone for business purposes. Usage of the phone for personal phone calls should be kept to a minimum. The Company reserves the right to charge back personal phone calls to all employees (including managers). When using cellular phones while driving, employees are required to adhere to any local law restrictions, and should use a hands-free device for the safety and the employee, passengers, and other drivers. Employees are not permitted to text or email while driving.

## **Solicitation and Distribution of Literature**

The Company has established rules applicable to all employees that govern solicitation and distribution of written material (including e-mails) during working time and entry onto Company premises and work areas. Managers should make sure employees comply with the following rules:

- No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of employees at whom such activity is directed;
- No employee shall distribute or circulate any written or printed material in work areas during his or her working time or during the working time of employees at whom such activity is directed; and
- Under no circumstances will non-employees be permitted to distribute written material on Company property.

“Working time” includes all time for which an employee is paid and is scheduled to be performing services for the Company. It does not include authorized break periods, meal periods or periods in which an employee is not performing and is not scheduled to be performing services or work for the Company. “Solicitation” includes, but is not limited to, requesting funds, signatures, conducting membership drives, offering to sell merchandise or services, eliciting membership in organizations, or engaging in any other similar activity.

**Bulletin Boards:** Bulletin Boards are reserved for the exclusive use of the Company for posting work-related notices or notices that must be posted pursuant to local, state, and federal law. From time to time, special notices and information for employees will be posted by the Company on the bulletin boards. Employee postings are not permitted.

## **Computers**

Managers are responsible for ensuring that your employees are using the computers provided by the company for business use only. Employees should limit personal work on Company-owned computers or other electronic devices. The Company discourages the use of Company-owned computers to send personal emails, instant messages or social media for personal online purchases, to play games or to conduct any business other than what is within the scope of their employment with Metro Corp.

### **Release of Personal Information/References**

All managerial employees must direct all inquiries about current and former employees to Human Resources. Managers are responsible for ensuring that the employees who they direct comply with this directive as well.

Human Resources generally will only verify by phone the dates of employment and job titles of a current or former employee with the employee's written consent.

### **Employee Recognition Programs**

Length of Service. The Company has established length of service guidelines for awards to be given to employees upon completion of five-year intervals of service. The purpose of the awards is to provide additional recognition to long-term employees. The awards are structured so that they can be tax-free to the employee and tax deductible to the Company. Therefore the terms of the service awards cannot be altered.

Listed below are the levels of awards:

Years of Service	Award
5	\$*
10	\$*
15	\$*
20	\$*
25+	\$*

\* Check with Human Resources for the current policy.

New Child. The Company provides employees who give birth to or adopt a child a \$100 gift card for each child. Managers should inform the Human Resources team of the eligible employee, the baby's name, and the date of birth or adoption. A gift card will then be purchased and sent directly to the employee in the staff member's name for the benefit of the baby. The cost of the savings bond will be deductible for tax purposes. Managers may also send flowers or a gift basket around the date of the birth at the Company's expense, so long as the cost does not exceed \$75.



## **SECTION 4: HANDLING SPECIFIC SITUATIONS**

### **Workplace Violence**

The Company has adopted a zero tolerance policy for workplace violence. Acts or threats of physical violence, including intimidation, harassment or coercion that involve or affect the Company or that occur on Company premises or during Company business will not be tolerated.

Acts or threats of violence include conduct that is sufficiently severe, offensive, or intimidating to alter the employment conditions at the Company or to create a hostile, abusive or intimidating work environment for Company employees.

Examples of workplace violence include, but are not limited to, the following:

- Hitting, shoving, or other physically aggressive actions, even if in jest;
- Threats of harm against an individual or his or her family, friends, associates or property;
- The intentional destruction or threat of destruction of Company property;
- Harassing or threatening phone calls;
- Harassing surveillance or stalking; and
- Possession or use of firearms or weapons.

Managers who become aware of an act or threat of workplace violence, or a situation that could result on workplace violence, should immediately report this information to the Human Resources team. Note that this reporting obligation all persons involved in the Company's operation, including but not limited to employees, independent contractors, temporary employees, and any other person on Company property. If necessary, managers should report incidents of workplace violence to appropriate law enforcement authorities.

### **Discrimination and Harassment**

It is the policy of the Company that all employees should be able to enjoy a work environment that is free of discrimination and harassment. The Company strictly forbids discrimination or harassment of any kind, including discrimination based on race, color, religion, creed, sex, pregnancy, national origin, sexual orientation, age, physical or mental disability, genetic predisposition or carrier status, marital status, veteran status, ancestry, status with regard to public assistance or any other category protected under applicable federal, state or local law. This policy extends to each and every level of our operation. Accordingly, any form of harassment, whether by an employee, manager, or by a third party doing business with the Company, will not be tolerated.

#### **WHAT IS SEXUAL HARASSMENT?**

Sexual Harassment can be defined as *unwelcome conduct of a sexual nature* in the work environment.

**Quid Pro Quo:** Sexual harassment occurs when a person in a position of power uses that power to coerce a subordinate into providing sexual favors. The imbalance of power creates a situation in which a subordinate does not feel free to say "no."

For example:

Demanding sexual favors in exchange for a promotion or a raise

Disciplining or firing a subordinate who ends a romantic relationship

Changing performance expectations after a subordinate refuses requests for a date

**Hostile Environment:** Behavior of a sexual nature in the workplace environment can create an intimidating, offensive or hostile environment that affects people's ability to do their job or to learn. This behavior may occur between peers or between people with unequal power.

For example:

VERBAL: jokes, comments, repeated requests for dates

PHYSICAL: touching, fondling, sexual assault

VISUAL: suggestive pictures, posters, cartoons

## **WHAT IS DISCRIMINATION?**

Discrimination is the act, practice, or an instance of treating a person(s) differently than others because of that person's race, gender, ethnicity, age, or other protected characteristic.

Forbidden conduct includes, without limitation:

- Discriminating against any individual on any protected basis in making decisions affecting his or her employment (such as hiring, promotions, raises, bonuses, transfers, discipline or termination).
- Conditioning, either explicitly or by implication, decisions affecting an individual's employment on his or her willingness to tolerate discrimination or submit to sexual or other forms of harassment.
- Engaging in discriminatory or harassing conduct including oral statements, or creating an environment that is hostile or offensive to any employee.
- Retaliating or threatening to retaliate against an employee if he or she complains of discrimination or harassment.

In furtherance of the Company's policy to provide everyone with a work environment free from discrimination and harassment, the Company requires that all of its managers and managers be responsible for the prevention and elimination of all forms of harassment within their respective departments.

Any Company manager who reports incidents of discrimination or harassment or who participates in an investigation of such alleged conduct will not be subject to retaliation. Anyone who tries to intimidate a fellow manager or employee from reporting discrimination or harassment, who tries to impede the Company's investigation of any such complaint or who threatens or engages in retaliation, will be subject to immediate discipline.

As a manager, it is important that you familiarize yourself with Metro Corp.'s policies on discrimination and harassment. You are expected to comply with these policies fully, to take allegations of harassment of any kind seriously, and to assist in any investigation or disciplinary action as necessary.

Any allegations of discrimination or harassment which you are made aware of must be reported to:

- For managers in Boston:  
Rick Waechter, Chief Executive Officer, Boston magazine, 300 Massachusetts Ave., Boston, MA 02115, tel. 617-275-2001;
- ; or
- For managers in Philadelphia:  
Alexandra Nodiff, HR Manager, Metrocorp, 1818 Market St., Philadelphia, PA 19103, tel. 215-979-7494.

You may also contact the Human Resources team directly if you have a complaint or if you have concern about how a complaint is being handled.

### **Complaint Procedure:**

Discrimination or harassment serves no legitimate purpose and has a disruptive effect on the workforce. The Company takes allegations of harassment very seriously, and will actively investigate all complaints. If it is determined that harassment has occurred, management will take appropriate action against the offending persons, up to and including termination of employment. If, as a manager, you have witnessed discrimination or the harassment of others, bring your concerns to the attention of Human Resources immediately.

It is the Company's policy that all such matters will be handled with appropriate care and discretion and receive a thorough investigation. When an employee brings a complaint to the attention of any member of management, the Human Resources team will be notified and an investigation of the allegations will be undertaken promptly. Such investigation shall generally include, at a minimum, interviews with all persons identified as having direct and personal knowledge of the incident(s) in question.

If the investigation reveals that inappropriate workplace conduct has occurred, management will take prompt and effective remedial action. Such measures are designed to put an immediate stop to the harassment as well as prevent its recurrence. Therefore, management retains the right to take whatever action it believes appropriate under the circumstances, up to and including terminating the employment of the offending person.

### **Legal Information:**

Since your position involves supervising, evaluating, hiring, or any other activity which may affect someone's terms or conditions of employment or academic status, you are an agent of the company. If an agent of the institution receives information regarding sexual harassment or discrimination, and the information is sufficient to identify the accused, the institution is considered to be on notice that sexual harassment or discrimination may be occurring. The institution is then obligated to address the allegations appropriately and promptly.

The Company may be strictly liable under state and federal law for harassment by managers. Thus, it is important for the Company to take certain protective steps to prevent incidents of sexual harassment. By implementing a sexual harassment policy and conducting discrimination and harassment awareness programs for employees and managers, the Company can defend against a claim of harassment from an employee who fails to notify the Company that he or she believes he or she was subjected to harassment. In defending a lawsuit, it is also helpful to show that when the employee reported harassment, the Company took immediate action by investigating the complaint and taking disciplinary action, if appropriate, against the offending party.

### **Retaliation Prohibited:**

The right to file a complaint is a protected activity. Employees must feel confident that making such a complaint will not result in any punitive or discriminatory behavior towards them by others: the accused party, a manager, or any other individual. Thus, retaliation against employees for reporting or complaining of sexual harassment, or for cooperating in the investigation of a report or complaint, is unlawful and will not be tolerated. Any retaliation will warrant disciplinary action, up to and including terminating the employment of the manager.

### **CHECKLIST FOR PREVENTION**

- You are leaders and agents of the Company and are charged with the responsibility to take whatever action is necessary to prevent sexual harassment and discrimination, if possible, and correct it when it occurs.
- Be a role model for by conducting yourself in a respectful and unbiased manner.
- Be aware of the impact your choice of words may have on others.
- Be aware and sensitive to the possible existence of sexual harassment and discrimination and take disciplinary action when appropriate.
- In connection with the Human Resources team, annually provide information and educational programs to employees regarding harassment and discrimination.
- Address any misconduct, including inappropriate comments, jokes, etc., seriously and quickly. Failure to act communicates the idea that you condone such behavior.
- Have a thorough working knowledge of the policies against harassment and discrimination in the Employee Information Manual.

### **Absences**

Employees are expected to report to work on-time and prepared to perform. If an employee is unable to report to work due to illness or for emergency reasons, s/he is expected to personally call the immediate manager. If an employee fails to report to work and does not follow the appropriate reporting procedure by contacting the manager s/he may be subject to disciplinary action. Remember, employee emergencies do occur. Try to contact the absent employee by telephone as soon as possible. If you can't contact the employee by phone, and the employee does not report to work the next day, let Human Resources know. Any absence due to an illness that lasts more than 2 business days will require a doctor's note which must be submitted to the Human Resource Team. Likewise, if an employee is expected to be out for an extended absence, HR needs to be notified immediately.

## **Handling Requests Medical Leave and Accommodation**

One of the more complicated parts of being a manager is handling employee requests for leave and accommodation. Please review the Company's policies on different forms of leave found in the Employee Information Manual. **[Immediately call on the Human Resources team as soon as an employee approaches you about a leave or an accommodation request.]**

Family and Medical Leave provides eligible employees with 12 weeks of unpaid leave for certain qualifying events. Paid leave may be substituted for unpaid leave in certain cases. Employees are eligible for leave if they have been employed by the Company for at least twelve (12) months and have worked at least 1,250 hours during the 12 month period immediately preceding the start of the leave. Employees must also be employed at a Company office where 50 or more employees are employed by the Company within a 75 mile radius.

Eligible employees can use Family and Medical Leave for the following reasons:

- The employee's serious health condition
- The birth and care of the employee's child(ren)
- Placement with the employee of a child for adoption or foster care and
- Care of the employee's spouse, domestic partner, child or parent with a serious health condition

Employees seeking leave are required to provide their managers with at least thirty (30) days written notice of the proposed leave. The request forms can be found in the Appendix to this Manual. Where advanced notice is not possible, such as in the event of a medical emergency, notice should be given as soon as possible. Failure to give advance notice, where foreseeable, may delay or postpone the commencement of the leave.

Medical certification from a health care provider will be required if the leave is based on a serious health condition of an employee or family member. The Company also requires medical certification if the leave is due to the birth of a child. Additionally, an "Intent to Adopt" form is required if the leave is for the placement of a child for adoption. Failure to provide such certification may result in a delay or denial of the employee's leave.

When returning to work from a medical leave the employee will be required to provide medical certification that he or she is fit to return to work.

During any family and medical leave, the Company will maintain the employee's medical, dental, life and disability insurance coverage under the same conditions that coverage would have been provided if the employee had been continuously employed during the entire leave period. The Company and the employee will each continue to pay their portion of the benefit costs. In some instances, the Company may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FML.

Normally, employees returning from medical leave will be reinstated to the same or an equivalent position, with equivalent pay, benefits, and other terms and conditions of employment. However, this is not always the case, as with a key employee or due to certain business restructurings. Please do not make any representation to employees about their job status upon their return from leave; instead, refer the question to Human Resources.

## **Workers' Compensation**

Managers are responsible for their employees when they are healthy and also when they have suffered a work-related injury. Workers' compensation is a mandatory insurance program that provides for the payment of medical expenses and wage loss replacement for people who are injured while on the job. It is a no-fault system and all employers must participate in the workers' compensation system. Any employee who is injured in the "course and scope" of their employment is entitled to file a claim.

If an employee you manage or supervise has suffered an on-the-job injury, or is suffering from an injury which may be job-related, please contact a member of the Human Resources team immediately. Filing a Report of Injury or completing an incident report is not an admission of liability. A manager should never deny the claim. It is the job of the workers' compensation claim adjuster to investigate the claim and determine if it will be accepted.

## **Drug and Alcohol Policy**

It is the Company's policy to maintain a drug and alcohol free workplace. Managers and managers should be vigilant about preventing the unlawful manufacture, distribution, dispensation, possession, or use of alcohol, illegal narcotics, drugs, or controlled substances by Company employees while on Company business or on Company premises. Note that Company premises include all land, property, buildings, structures, installations, parking lots, means of transportation owned by or leased to the Company or otherwise being used for Company business and private vehicles parked on Company premises.

Managers who notice or suspect that an employee is reporting to work while under the influence of alcohol, illegal narcotics, drugs or other controlled substances must immediately notify Human Resources. Be aware that employees suspected of possessing or using alcohol, illegal narcotics, drugs or other controlled substances (other than controlled substances that are taken pursuant to the instructions of a licensed health care provider) at the workplace are subject to inspection and search, with or without notice. Employees' personal belongings, including any bags, purses, briefcases, and clothing, and all Company property, also are subject to inspection and search, with or without notice.

On occasion, managers may entertain clients during the work hours or after work hours as representatives of the Company, sometimes in the presence of employees. These occasions may include lunches, dinners, and business conferences. On these occasions, if appropriate, only the moderate and limited use of alcoholic beverages is acceptable. Alcohol may also be served occasionally in office sanctioned events or at outside social events sponsored by the Company. Alcohol may be served at these events only with the approval of the COO. At such events, only the moderate and limited use of alcohol is acceptable. Employees are expected to remain responsible, professional, and sober at all times.

## **SECTION 5: EMPLOYEE TERMINATION**

Termination means that an employee is separating from the Company and will be removed from the payroll. The effective date of termination is the last day worked. Any wages owed through the termination date, including any accrued, unused vacation time shall be paid to the employee by the next regular payday, unless it is an involuntary termination, in which case, all monies owed to the employee must be paid on the termination date. Upon separation from employment, an employee should be certain that the Company has his or her current address in order to insure timely arrival of the W-2 form and any other appropriate paperwork.

### **Voluntary/Involuntary Termination**

Voluntary Termination: The Company will consider an employee to have voluntarily terminated his or her employment if an employee does any of the following: (a) elects to resign from the Company; (b) is absent from work for three (3) consecutive days without giving proper notice to the Company regarding their absence; or (c) does not return to work after a Company approved leave of absence. Employees who voluntarily terminate their employment with the Company will receive their final wages on the regularly scheduled payday following their separation from the Company. Although an at-will employee cannot be required to provide advance notice of resignation, it is commonly accepted practice and courtesy to provide at least two weeks advance notice. If an employee does not provide a resignation letter, the Human Resources team will acknowledge the resignation in writing.

Involuntary Termination: Should the Company make the decision to terminate an employee or an employee is asked to resign, the separation is involuntary. Employees who are separated involuntarily will be paid for the time worked and all unused, earned vacation and personal days, if applicable on the final day of employment (or the next practicable pay date in Philadelphia).

### **Employment References**

If you are contacted for a reference for a current or former employee by a prospective employer, remember that Company policy requires you to verify only the dates of employment and job titles of the current or former employee. You may not provide any additional information. All further inquiries regarding current or former employees must be directed to the Human Resources team.

### **Return of Company Property**

All equipment, supplies and other items issued to employees are exclusively the property of the Company. Removal of Company property from the Company's premises may be done only with authorization of appropriate management personnel. Upon termination of employment, all Company property in an employee's possession or control, whether equipment, documents or electronic material must be returned to the Company. Employees must remove all personal belongings from the Company by the final day of employment. Please note that an employee's obligation not to disclose or to use confidential information extends beyond the termination of the employment relationship with the Company.

## **Exit Interviews**

Employees who leave the Company for any reason will meet with a member of the Human Resources team. At that time, all Company property should be returned. Benefits and pay matters will also be discussed, including medical and dental insurance continuation under COBRA, vacation accrual status, 401(k) account information. Employees will be reminded of their obligations under the Company's confidentiality and non-disclosure agreement. Employees may also be asked to meet with other members of management to resolve outstanding issues. Employees are expected to turn over their projects and work areas to their manager or colleagues in a manner such that the work can be retrieved and resumed, as appropriate.

The Company encourages that all employees who leave the Company have an Exit Interview. The Exit Interview shall be given by a member of the Human Resources Team.

## **Continuation of Medical Benefits ("COBRA")**

If an employee resigns or is terminated (except for gross misconduct) or an event occurs which deems an employee no longer eligible for health insurance benefits, the employee and eligible dependents may have the right to continue health insurance benefits for a period of time under applicable state or federal law, usually for up to eighteen (18) months, although this time period may be longer, depending upon the situation. The insured will be required to pay the full cost of the monthly insurance premium.

Please refer employees to a member of the Human Resources team for further details.