

SOUTHWESTERN FAIR COMMISSION, INC.
EMPLOYEE HANDBOOK

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1. Description of the Fair Commission.

1. Mission.

Southwestern Fair Commission, Inc. (The Fair Commission®) is a non-profit corporation which operates the Pima County Fairgrounds, a 640 acre multipurpose facility, pursuant to a Lease and Management Agreement with Pima County. The Fair Commission conducts the annual Pima County Fair, operates Southwestern International Raceway, and provides facilities at the Fairgrounds for other organizations, agencies, and entities to conduct shows, exhibitions, and other events.

2. History.

The Fair Commission is an Arizona non-profit corporation. The Fair Commission has been operating the Pima County Fairgrounds under a contract with Pima County since 1974. The Fair Commission is governed by a Board of Directors consisting of five members who are appointed by the Pima County Board of Supervisors. Day to day operations of the Fair Commission are managed by the Executive Director and Fair Commission staff members.

2. Employment.

1. Nature of Employment.

Employment with the Fair Commission is voluntarily entered into, both by the employee and the Fair Commission. **The employee is free to resign at will at any time, with or without cause, with or without notice. The Fair Commission may also terminate the employment relationship at will at any time, with or without cause, with or without notice. Only a Director or an Officer of the Fair Commission may change an employee's status to something other than at will, and the change must be in a writing signed by both the officer and the employee.**

This handbook is intended to provide employees with information concerning the Fair Commission's employee policies. However, the handbook cannot anticipate every situation or answer every question about employment. **THIS HANDBOOK IS NOT AN EMPLOYMENT CONTRACT, AND IT IS NOT INTENDED TO CREATE CONTRACTUAL OBLIGATIONS OF ANY KIND OR A CONTRACT OF EMPLOYMENT BETWEEN THE FAIR COMMISSION AND ANY OF ITS EMPLOYEES. NOTHING IN THIS HANDBOOK SHOULD BE CONSTRUED AS A GUARANTEE OF CONTINUED EMPLOYMENT. THE PROVISIONS OF THIS HANDBOOK MAY BE AMENDED OR CANCELED AT ANY TIME AT THE FAIR COMMISSION'S SOLE DISCRETION.** The only deviations from the stated policies are those authorized and signed by the Executive Director or other Director or Officer of the Fair Commission. In the event that the actual terms and provisions

of policies, procedures or benefits plans appear to be in conflict with any information given in this handbook, the Fair Commission's interpretation thereof will govern.

2. Equal Employment Opportunity.

The Fair Commission is an equal opportunity employer. Except where required or permitted by law, employment practices shall not be influenced or affected by virtue of an applicant's or employee's race, color, religion, marital status, sex, sexual orientation, national origin, age, disability, military reserve membership or any other characteristic protected by law. In addition, it is the Fair Commission's policy to provide an environment that is free of unlawful harassment of any kind. This policy governs recruiting, employment, promotion, assignment, discharge, compensation, and other terms and conditions of employment.

3. Immigration Law Compliance.

The Fair Commission is committed to employing only United States citizens and aliens who are authorized to work in the United States and comply with the Immigration Reform and Control Act of 1986.

As a condition of employment, each new employee must properly complete, sign, and date the first section of the Immigration and Naturalization Service Form I-9. Before commencing work, newly rehired employees must also complete the form if they have not previously filed an I-9 with the Fair Commission, if their previous I-9 is more than three years old, or if their previous I-9 is no longer valid. Valid documentation of the right to work and identity is a condition of employment.

3. **Employment Categories.**

It is the intent of the Fair Commission to clarify the definitions of employment classifications so that the employees understand their employment status and eligibility for employee benefits.

Each employee is designated as either nonexempt or exempt from federal and state wage and hour laws. Nonexempt employees may be entitled to overtime pay under the specific provisions of federal and state laws. Exempt employees are excluded from specific provisions of federal and state wage and hour laws. Exempt employees are paid on a salary basis and do not receive overtime. Exempt employees include personnel in executive, supervisory, and administrative positions.

In addition to the above categories, each employee will belong to one other employment category:

Regular Employees are those who are not in a temporary or introductory status and who are regularly scheduled to work the organization's full time schedule (i.e. full-time and

permanent). Generally, they are eligible for the Fair Commission's benefit package, subject to the terms, conditions, and limitations of each benefit program.

Seasonal Employees are those who are hired as interim replacements, to supplement the work force, to perform seasonal work, or to assist in the completion of a specific project. Employment assignments in this category may be of a limited duration. Employment beyond any initially stated period or hours worked per week does not in any way imply a change in employment status. Seasonal employees retain that status unless and until notified in writing of a change. While seasonal employees receive all legally mandated benefits (such as worker's compensation insurance, unemployment insurance and Social Security), they are not eligible for any other Fair Commission benefit programs.

4. Overtime Policy for Nonexempt Employees.

The Fair Commission is not required to pay overtime to its employees due to an exemption in the federal overtime laws. However, the Fair Commission currently elects to pay its nonexempt regular employees overtime at the rate of one and one-half times their regular rate of pay for each hour worked in excess of eighty hours in each two week pay period. Unless you are requested to work overtime by your supervisor, you are required to notify and receive the approval of your supervisor prior to working the overtime hours. Seasonal employees are not eligible to receive overtime compensation.

5. Employee Benefits.

Regular employees are generally eligible for the Fair Commission's full benefit package, subject to the terms, conditions, and limitations of each program. Seasonal employees receive all legally mandated benefits (such as worker's compensation insurance, unemployment insurance and Social Security), and are not eligible for any other Fair Commission benefit programs.

Details of many of these programs can be found elsewhere in this employee handbook.

The following benefit programs are available to eligible employees:

Medical Insurance	Vacation Benefits	Jury Duty
Dental Insurance	Sick Leave Benefits	Witness Duty
Life Insurance	Family & Medical Leave	Voting Leave
401K Profit Sharing Plan	Bereavement Leave	Workers Compensation
Holidays	Personal Leave	

Some benefit programs, such as medical insurance, dental insurance, and the 401K Profit Sharing Plan may require contributions from employees, but most are fully paid by the Fair Commission.

6. Medical Insurance.

The Fair Commission offers medical insurance to its regular employees. Regular employees may purchase additional coverage for their dependents. Details of the plan, including eligibility and employee costs, are found in the insurance plan booklets, available to regular employees. If after reading this booklet you still have unanswered questions, please direct your questions to the Administrative Office.

7. Dental Insurance.

The Fair Commission offers dental insurance to its regular employees. Regular employees may purchase additional coverage for their dependents. Details of the plan, including eligibility and employee costs, are found in the insurance plan booklets, available to regular employees. If after reading this booklet you still have unanswered questions, please direct your questions to the Administrative Office.

8. Life Insurance.

The Fair Commission offers life insurance, including accidental death and dismemberment, for its regular employees. Details of the plan, including eligibility and employee costs, are found in the insurance plan booklets, available to regular employees. If after reading this booklet you still have unanswered questions, please direct your questions to the Administrative Office.

9. 401K Profit Sharing Plan.

The Fair Commission offers a 401K Profit Sharing Plan to its employees. The Fair Commission may, at its discretion, choose to contribute a portion of its profits to the plan. Additionally, employees may, at their discretion, choose to contribute a portion of their pay to their account. Details of the plan, including eligibility, vesting, optional employee contributions and investment options are found in the plan booklet. If after reading this booklet you still have unanswered questions, please direct your questions to the Administrative Office.

10. Holidays.

The Fair Commission will grant holiday time off to all regular employees on the holidays listed below:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving Day (fourth Thursday in November)
- Day after Thanksgiving (Friday after fourth Thursday in November)
- Christmas Day (December 25)

Two Floating Holiday (on request & approval)

The Fair Commission grants two floating holidays to all regular employees on January 1st for use in the calendar year. These days may be taken with advance notice and approval of the employee's supervisor.

If a scheduled holiday falls on a Saturday or Sunday, the holiday will typically be observed on the preceding Friday or the following Monday, respectively.

According to the applicable restrictions, the Fair Commission will grant paid holiday time off to regular employees. Holiday pay for employees paid on an hourly basis will be calculated based on the employee's straight time pay rate (as of the date of the holiday) multiplied by the number of hours the employee would otherwise have worked on that day, not to exceed eight hours per day.

If a recognized holiday falls during an eligible employee's paid absence (e.g. vacation, sick leave), the employee who is eligible to receive paid holiday time off will not be charged with a vacation day or sick leave day for the recognized holiday. Paid time off for holidays will not be counted as hours worked for the purpose of determining overtime. The Fair Commission currently elects to pay regular hourly employees at the rate of one and one-half times regular pay for hours they are required to work on any of the above recognized holidays, excluding floating holidays.

11. Vacation Benefits.

Regular employees are eligible for vacation benefits according to the guidelines set forth in this policy.

At the start of each calendar year, regular employees are awarded vacation time, according to their employment category and the number of full-time years of service which they have completed as of that date, calculated as follows:

<u>Year of Service</u>	<u>Nonexempt/ Hourly</u>	<u>Exempt/ Salaried</u>
Less than 1 full year	Prorated	Prorated
1 or 2 years	40 hours	80 hours
3, 4, 5, 6 or 7 years	80 hours	120 hours
8 or more years	120 hours	160 hours

Employees who have not yet completed one year of service as of January 1 will be awarded vacation time prorated for the amount of time they worked in the prior year, up to 40 hours for nonexempt or 80 hours for exempt employees. Any vacation time unused in the year in

which it was awarded is forfeited and cannot be carried over to the next calendar year; except that Salaried employees are permitted to carry over up to 80 hours of unused vacation. Employees will not be paid for unused vacation time, except upon termination.

Vacation pay will be calculated based on the employee's straight time pay rate in effect when vacation benefits are used. Vacation pay does not include shift differentials, incentive pay, bonuses, or other special forms of compensation. Vacation benefits for nonexempt (hourly) employees will be based on their normal wages.

Vacation time must be coordinated with the department manager who may use various factors in scheduling vacations, including seniority, anticipated operating requirements, and staffing considerations during the proposed period of absence

12. Sick Leave Benefits

The Fair Commission provides paid sick leave benefits to regular employees for periods of temporary absence due to illness or injuries.

Eligible employees will accrue sick leave benefits at the rate of six days per year (four hours per month) after completing six months of service. An employee may only use sick leave benefits for an absence due to illness or injury sustained by that employee or by his or her immediate family members residing in the employee's household. Unused sick leave may be carried into the next calendar year, up to a maximum of 20 days (160 hours). Sick leave not eligible to be carried forward is forfeited.

Employees who are unable to report to work due to an illness or injury should notify their supervisor before the scheduled start of their shift if possible. The supervisor should also be contacted each additional day of absence. A physician's certified statement of illness may be required as proof of illness. Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence.

Sick leave benefits are intended to provide income protection in the event of an actual illness or injury, unused sick leave benefits cannot be used for any other paid or unpaid absence. Consequently, employees are not entitled to unused sick leave pay at the time of termination of employment or retirement.

13. Family and Medical Leave.

To the extent the Fair Commission is or remains obligated under the Federal Family and Medical Leave Act (AFMLA@), the following reflects the current policy of the Fair Commission in implementing the FMLA. In the event any of the following directly conflicts with express provisions of the FMLA, the terms of the FMLA will control.

A. Eligibility and Duration.

Employees (1) who have worked at least 12 months, *and* (2) have worked at least 1,250 hours during the immediately preceding 12 months at the Fair Commission may receive unpaid Family and Medical Leave as provided by law. Family and Medical Leave may be used for only those purposes detailed in the FMLA.

If eligible for Family and Medical Leave, an employee may take up to 12 weeks of leave during a 12-month period. This 12-month period will be deemed to begin with the first day of such leave and end 12 calendar months thereafter.

B. Notice of Leave.

An employee must provide at least 30-days advance notice before FMLA leave is to begin. Such advance notice is necessary if the need for the leave is foreseeable based on an expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or of a family member. If 30-days notice is not practicable, such as because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. "As soon as practicable" means as soon as both possible and practical, taking into account all of the facts and circumstances in the individual case. For foreseeable leave where it is not possible to give as much as 30 days notice, "as soon as practicable" means at least verbal notification to the employee's supervisor within one or two business days of when the need for leave becomes known to the employee.

C. Intermittent Leave.

Intermittent leave or leave on a reduced leave schedule may be taken as provided in the FMLA. To the extent the FMLA allows such leave only on the agreement of the Fair Commission or allows the Fair Commission to demand medical documentation of necessity of such leave, the Fair Commission reserves the right to deny such leave and to require such documentation.

D. Employee Spouses.

Where both a husband and wife are employed by the Fair Commission and both are eligible for Family and Medical Leave, the aggregate amount of leave both employees may take for child birth, adoption, or placement of a foster child, or to care for a parent with a serious health condition, is 12 work-weeks in a 12-month period.

E. Paid Time Off.

The Fair Commission may, at its discretion, require that the employee substitute accrued paid sick leave or vacation time for Family and Medical Leave to the fullest extent allowed by law.

F. Health Insurance Premiums.

The Fair Commission maintains an employee's insurance coverage under applicable group plans for the duration of leave but the employee must continue to pay the same share of such premiums as he or she did before leave. During leave, employees are responsible to pay their portion of health insurance premiums, either in person or by mail by a deadline agreed upon with the Administrative Office. If the payment is more than 30 days late, health care coverage may be dropped for the duration of the leave.

The Fair Commission reserves the right, to the fullest extent allowed under the FMLA, to recoup from the employee premiums paid by the Fair Commission on such insurance during the employee's leave if the employee fails to return to work at the termination of leave.

G. Seniority.

Seniority for purposes of accrual of sick leave and vacation time and co-payments for medical and dental insurance premiums continues to accrue during Family and Medical Leave.

H. Restoration and Reinstatement.

The Fair Commission will restore an employee to the same position he or she held prior to the leave to the extent required under the FMLA. If the employee's position was terminated for reasons unrelated to the leave, the Fair Commission will make a good faith effort to rehire the employee for comparable position, but cannot guarantee this. If the employee fails to return to work after the expiration of the leave, or refuses a position with comparable duties and pay level to the job left, the employee will be considered to have voluntarily resigned.

14. Bereavement Leave.

If a regular employee wishes to take time off due to the death of an immediate family member, the employee should notify his or her supervisor immediately.

Up to two days of paid bereavement leave will be provided to regular employees.

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Approval of bereavement leave will occur in the absence of unusual operating requirements. Any employee may, with the supervisor's approval, use any available paid leave for additional time off as necessary.

The Fair Commission defines immediate family@ as the employee ' s spouse, parent, child, sibling; the employee ' s spouse ' s parent, child or sibling; the employee ' s child ' s spouse; grandparents or grandchildren. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

15. Personal Leave.

In accordance with the guidelines set forth in this policy, the Fair Commission will provide unpaid personal leave to regular employees who wish to take time off from work duties to fulfill personal obligations.

Personal leave up to a maximum of 12 weeks may be granted with the written permission of the Executive Director or other Director or Officer. Employees may take any available sick leave or vacation leave prior to the effective date of the personal leave of absence.

Requests for personal leave will be evaluated based on a number of factors, including anticipated operational requirements and staffing considerations during the proposed period of absence.

To the extent possible, employees returning from personal leave will be returned to their former position or will be offered the first available comparable position for which they are qualified.

If an employee fails to report to work at the expiration of the approved leave period, the Fair Commission will assume that the employee has resigned.

16. Jury Duty.

The Fair Commission encourages employees to fulfill their civic responsibilities by service on jury duty when required. Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate the employee ' s absence. Employees are expected to report for work whenever the court schedule permits.

Regular employees may request up to five days of paid jury duty leave in any calendar year. Jury duty pay for employees paid on an hourly basis will be calculated based upon the employee ' s base pay rate multiplied by the number of hours the employee would otherwise have worked on the day of absence. If an employee is required to serve jury duty beyond the period of paid jury duty leave, he or she may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

Insurance benefits will remain in effect and unchanged for the full term of the jury duty absence. Accrual for benefit calculations, such as vacation, sick leave, or holiday benefits, will be suspended during unpaid jury duty leave and will resume upon return to active employment.

17. Witness Duty.

The Fair Commission encourages employees to appear in court for witness duty whenever subpoenaed to do so. The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted to accommodate the employee's absence. Employees are expected to report for work whenever the court schedule permits.

Regular employees may request up to sixteen hours of paid witness duty leave in any calendar year. If an employee is required to serve as a witness beyond the period of paid witness duty leave, he or she may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence. However, if the employee has been subpoenaed as a witness of the Fair Commission as a result of a job-related event, he or she will receive paid time off for the entire period of witness duty.

18. Voting Leave.

The Fair Commission encourages employees to fulfill their civic responsibilities by voting. If a regular employee is unable to vote in a statewide election during his or her non-working hours, the Fair Commission will grant up to two hours of paid time off to vote. Employees must request time off to vote from their supervisor at least two working days prior to election day so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

19. Worker's Compensation Insurance.

The Fair Commission provides comprehensive worker's compensation insurance as required by law. Any employee who sustains a work-related injury or illness should inform his or her supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately.

20. Employee Pay.

All employees are paid bi-weekly. Each paycheck will include earnings for all work performed through the end of the current payroll period. Deductions for medical insurance, dental insurance, etc., will be made from each paycheck.

Paychecks will be distributed on the designated date of pay. In the event that regularly scheduled payday falls on a weekend or holiday employees will receive pay on the last day of work before the regularly scheduled payday.

Employees may elect to have a portion or all of their paycheck directly deposited into their bank account. The Fair Commission will initiate the bank transfer on or before the designated pay day B this is to be considered timely payment. Generally, the employee's account will be credited on the designated pay day; however, occasionally, the employee's bank account may not be credited until after the designated pay day, due to factors such as

holidays, banking holidays, payroll processing cut-off times, or banking procedures for transfers.

All hourly employees must present time cards for payment of wages be it a written card or one produced by a time clock showing clock-in@ and clock-out@ times. No employee may clock in or out for another employee.

21. Employee Conduct and Work Rules.

To assure orderly operations and provide the best work environment, the Fair Commission expects employees to follow rules of conduct that will protect the interest and safety of all employees and the Fair Commission. It is not possible to list all forms of behavior that are considered unacceptable in the work place, but the following are samples of infractions of rules of conduct that may result in disciplinary action, including suspension or termination of employment.

- § Theft or inappropriate removal or possession of property;
- § Working under the influence of alcohol or illegal drugs;
- § Possession, distribution, sale, transfer, or use of alcoholic or controlled substances in the work place, while on duty, or while operating employer-owned vehicles or equipment;
- § Fighting or threatening violence in the work place;
- § Boisterous or disruptive activity in the work place;
- § Insubordination or other disrespectful conduct;
- § Sexual or other unlawful harassment;
- § Possession of dangerous or unauthorized materials, such as explosives or firearms, in the work place;
- § Excessive absenteeism and/or any absence without notice;
- § Unauthorized disclosure of business secrets@ or confidential information;
- § Violation of personnel policies;
- § Unsatisfactory performance or conduct; or
- § Violation of one ' s job description.

22. Disciplinary Procedures.

Employment with the Fair Commission is at-will. The Fair Commission may terminate any employee, with or without cause. The Fair Commission may in its discretion use disciplinary action including oral and written reprimand, suspension with or without pay, probation and termination. The choice of whether to use disciplinary action and the type of action used is at the sole discretion of the applicable supervisory personnel.

23. Drug Free Workplace.

It is the policy of the Southwestern Fair Commission, Inc. that any employee is prohibited from the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in the workplace.

EMPLOYER NOTIFICATION

As a condition of employment with the Southwestern Fair Commission, Inc., each employee is required to abide by the terms of this policy and notify the Commission of any criminal drug statute conviction for a violation occurring in the workplace, no later than five (5) days after such conviction. The Commission will, within (30) days after receiving the notice of conviction, will take appropriate disciplinary action against the employee. Disciplinary action may include termination from employment or require the employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved by federal, state, or local health, law enforcement or other appropriate agency.

24. Sexual and Other Forms of Impermissible Harassment.

The Fair Commission is firmly committed to a positive working environment that is free from sexual harassment or harassment because of race, color, religion, marital status, sex, sexual orientation, national origin, age, disability, military reserve membership or any other characteristic protected by law, in any form. Harassment, intimidation, or misconduct by management, supervisory staff, employees, subcontractors, and suppliers is expressly prohibited. The Fair Commission will not tolerate any form of sexual harassment, or any harassing conduct that affects tangible job benefits, unreasonably interferes with an employee's work performance or creates an intimidating, hostile or offensive working environment.

Sexual harassment may include, but is not limited to:

- § Vulgar or sexual comments, jokes, stories and innuendo;
- § Graphic or suggestive comments about someone's body or mannerisms;
- § Gossip or questions about someone's sexual conduct;
- § Unwelcome physical touching and obscene or suggestive gestures;

- § Display in the workplace of sexually suggestive photographs, cartoons, graffiti, and the like;
- § Unwelcome and repeated flirtations, requests for dates, and the like;
- § Solicitation or coercion of sexual activity, dates, or the like by the implied or express promise of rewards or preferential treatment, or by the implied or express threat of punishment.

In order to address concerns of harassment, supervisory personnel will strive to uphold company standards by providing a climate of open communication for employees without fear of retaliation or reproach. The Fair Commission prohibits retaliation against any employee on the basis of a good faith complaint of sexual harassment. If at any time an employee believes he or she is being subjected to harassment or discrimination, or that such conduct is being directed at someone else, the employee should promptly notify his or her immediate supervisor or the Administrative Office. Complaints of sexual harassment will be taken seriously and handled in an impartial and confidential manner at all times. Complaints will be disclosed only as necessary to allow the Fair Commission to investigate and respond to the complaint. Any special concerns about confidentiality will be addressed at the time they are raised. Anyone who is found to have violated this policy is subject to disciplinary action, up to and including discharge. Disciplinary action will depend on the gravity of the offense and not on the status of the offender and may include immediate discharge in appropriate circumstances. The Fair Commission will take whatever action it deems necessary to prevent an offense from being repeated.

25. Freedom from Workplace Violence.

It is the policy of the Fair Commission that all employees have the right to work in an environment free from all forms of threat, intimidation, and violence. The Fair Commission will not tolerate violence or threats of violence in the workplace toward or by its employees.

Workplace violence includes all conduct and circumstances that create a threat to an employee's safety from violence. Such conduct need not be criminal or even cause physical injury, and may include, among other conduct, assault, sexual assault, and domestic violence that spills into the workplace. Any employee engaging in workplace violence, threats of workplace violence, or intimidation, will be subject to corrective action up to and including termination.

Any employee who feels he or she may be the victim of workplace violence should report any and all incidents immediately to his or her supervisor. Any employee who becomes aware of any act that may be workplace violence must promptly report the conduct as outlined above. Any supervisor who becomes aware of such conduct must report the conduct and take prompt corrective action after consultation with his or her supervisor.

26. Communications.

It is our intent that communications with our employees be as open as possible. When we are not made aware of a problem or situation, we cannot assist in its resolution.

If you have a problem relating to your work or any aspect of your employment, we ask that you bring it to the attention of your supervisor. If you are not satisfied with the resolution, please bring your situation to the attention of the Administrative Office.

NOTICE

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

Under the law, an employee may be required to wait for fifteen calendar days after providing written notice before the employee may resign if the employee desires to preserve the right to bring a constructive discharge claim against the Fair Commission. An employee may be entitled to paid or unpaid leave of absence of up to fifteen calendar days while waiting for the Fair Commission to respond to the employee ' s written communication about the employee ' s working condition.

27. Attendance and Punctuality.

To maintain a safe and productive work environment, the Fair Commission expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the employer. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, he or she should notify the supervisor as soon as possible in advance of the anticipated tardiness or absence. It is, however, important to notify your supervisor no later than one hour before the start of your shift.

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

28. Nepotism.

Relatives shall not be employed by the Fair Commission in positions where one is in a supervisory chain of the other. All employees are considered to be within the supervisory chain of the Executive Director.

Even if not in the same supervisory chain, Relatives shall not be employed by the Fair Commission when the Appointing Authority determines that safety, efficiency, morale, or administration of the Fair Commission is adversely affected. If the Appointing Authority is one of the Relatives, such determination shall be made by the President of the Fair Commission. If the President is one of the Relatives, such determination shall be made by the Board of Directors of the Fair Commission.

Employees who become Relatives after appointment shall not continue to be employed in violation of this policy. One of the two employees must be reassigned outside the supervisory chain of the other. If this is not possible or the Appointing Authority deems the retention of both employees to be in violation of the policy stated in the paragraph above, then one of the two employees shall be terminated. The Appointing Authority shall determine which of the two employees shall be reassigned or terminated.

While the policies regarding Relatives set forth in the above paragraphs shall apply to all employees of the Fair Commission, including part-time and temporary employees of the Fair Commission, the Appointing Authority shall have the authority to make exemptions to the above policies when the Appointing Authority determines that the employment of the Relative will not adversely affect the safety, efficiency, morale, or administration of the Fair Commission or the event, and either (i) in the case of a temporary employee hired for a special event, it will be difficult to staff an event without making an exception for the event in question; or (ii) in the case of a regular employee, the President or Board of Directors annually reviews the employment of such employee and determines that the employment of the Relatives continues to be in the best interests of the Fair Commission.

Because of the nature of the Fair Commission's business, the Fair Commission from time-to-time employs independent contractors to provide services to the Fair Commission, the policies applicable to the employment of Relatives shall also apply to independent contractors engaged by the Fair Commission, including the policy allowing exceptions for special events. Similarly, this policy also applies to the employment of partnerships, corporations, limited liability companies, or any other organization which has a partner, shareholder, officer, director, controlling person, agent, employee or other representative who is a Relative.

This Resolution shall not prohibit any Relative from renting the Fair Commission's facilities or equipment, promoting events or activities for themselves or others who have rented the Fair Commission's facilities or equipment, or being employed by third parties who conduct events or activities at the Fair Commission's facilities or with the Fair Commission's equipment. Rentals of the Fair Commission's facilities or equipment to Relatives shall be on the same terms as such facilities or equipment are made available to third parties.

For the purpose of this section, the following definitions apply:

- A. Relative@ means the spouse; child; child ' s child; parent; grandparent; brother or sister of whole or half blood and their spouse or child; the parent, brother or sister of whole or half blood or child of a spouse; romantic relations; co-habitants; or cousins.
- B. Appointing Authority@ means the Executive Director of the Fair Commission, the Director of Motor Sports, other Officer or such other persons as may be designated by the Board of Directors of the Fair Commission. In the event that the Appointing Authority is a Relative of any employee affected by this Resolution, then the Appointing Authority with respect to such Relative shall be the President of the Fair Commission. If the President is one of the Relatives, then the Appointing Authority with respect to such Relatives shall be the Board of Directors of the Fair Commission.

29. Conflict of Interest.

When an official, an employee or a relative of the afore mentioned has a substantial interest in a decision of the Commission, the official or employee must make that interest known in the official records and refrain from any participation in the decision.

GENERAL RULE:

Relative – includes spouse, children, grandchildren, parents, grandparents, brothers, sisters (including half brothers and half sisters), brother and sister-in-law and children-in-law of the member of the official or employee.

Substantial Interest – Refers to a significant potential for personal gain that may affect, or appear to affect, the official or employee’s action.

Remote interests are those that are not considered significant enough to influence a decision-maker and do not need to be disclosed.

All officials and employees of the Commission who make and carry out decisions concerning the following must annually complete a CONFLICT OF INTEREST FORM.

1. Purchase of goods, equipment and services
2. Sale or purchase of property
3. Negotiating contracts
4. Hiring and/or terminating employees

Failure to complete the form annually or to violate the Conflict of Interest Procedures shall forfeit employment and be removed from their official capacity

30. Technology.

Technologies, including E-Mail and Internet access, are resources made available to Commission employees to improve or enhance research and communications with other employees, departments, governmental entities, companies and individuals.

COMPUTERS, E-MAIL, INTERNET, PHONES, CELL PHONES, COPIERS, FAX AND VOICE MAIL

All messages composed, sent or received on the Commission e-mail system are and remain the property of the Commission. The Commission reserves the right to review, audit, intercept, access and disclose all messages created, received or sent over the e-mail system for any purpose.

In addition to the use of e-mail in the performance of their job duties, employees may make limited personnel use of e-mail under the following circumstances provided it does not result in a direct cost to the Commission.

E-mail shall not be used for: illegal activities, threats, harassment, offensive or disruptive messages, defamation, obscene or suggestive messages or graphical images, political endorsements, chain letters or commercial activities.

OTHER

Temporary employees and independent contractors may be given access to the Commission's copiers, phones, computers, e-mail system and Internet access as business requires, and must abide by all Southwestern Fair Commission, Inc. policies and procedures. Customers may be offered limited use of these technologies and equipment and the Commission may charge a fee for such use. These uses shall be monitored to ensure no access to Commission files or damage to resources may occur.

31. Safety.

Establishment and maintenance of a safe work environment is the shared responsibility of the Fair Commission and employees from all levels of the organization. The Fair Commission will attempt to do everything within its control to assure a safe environment and compliance with applicable federal, state, and local safety regulations. Employees are expected to obey safety rules and to exercise caution in all their work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees at all levels of the organization are expected to detect and correct unsafe conditions as promptly as possible.

All accidents that result in injury must be reported to the appropriate supervisor, regardless of how insignificant the injury may appear. Such reports are necessary to comply with laws and initiate any applicable insurance or workers= compensation procedures.

32. Performance Evaluation.

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Additional formal performance reviews may be conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

33. Employment Termination.

Terminations are an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

Resignation - employment termination initiated by an employee who chooses to leave the organization voluntarily.

Discharge - employment termination initiated by the organization.

Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons.

Retirement - voluntary retirement for active employment status initiated by the employee.

The Fair Commission may, but it is not obligated to, schedule exit interviews for terminating employees. Management employees may be interviewed by the President. Other employees may be interviewed by the Executive Director or the Motor Sports Director. The exit interview, if conducted, will afford an opportunity to discuss such issues as employee benefits, repayment of outstanding debts to the organization, or return of employer-owned property. Suggestions, complaints, and questions can also be voiced.

Employees will receive their final pay, reduced by any legally permissible pay deductions or pay set-offs, in accordance with applicable state law.

Employee benefits will be affected by employee termination. All accrued vested benefits that are due and payable at termination will be paid.

EMPLOYEE ACKNOWLEDGMENT

This will acknowledge that I have received access to the Southwestern Fair Commission, Inc. Employee Handbook. I understand that I am responsible to read the Handbook and each of the policies and procedures contained in it prior to reporting to my first day of employment. I understand that I have been given an opportunity to ask questions or address any concerns I may have with the Handbook at any time. I understand that the policies and procedures contained in the Handbook are not intended to cover every type of situation that may arise in my employment with the Fair Commission. I also understand that employment with the Fair Commission is "**at-will**", which means that **either I or the Fair Commission can terminate the employment at any time, for any reason or for no reason, with or without notice**. I understand that this Handbook and the policies and procedures it contains do not in any way constitute a contract (either express or implied) of employment between me and the Fair Commission. I understand that only the Executive Director of the Fair Commission can enter into any contract, either written or oral, regarding my employment with the Fair Commission. Further, I understand that the policies and procedures contained in this Handbook are subject to change at any time at the discretion of the Fair Commission. In the event that the actual terms of the policies, provisions or benefit plans appear to be in conflict with any information contained in this Handbook, the Fair Commission's interpretation thereof will govern.

Employee's signature _____

Print full name _____

Date _____

Social Security No. _____

Witness Signature _____

NOTE: The SWFC Employee Handbook is available to employees and applicants under consideration of employment. It can be accessed electronically at the web site www.PimaCountyFair.com or a paper copy can be obtained at the administrative office of SWFC.