

**SAN DIEGO CONVENTION CENTER CORPORATION
AUDIT COMMITTEE MEETING
OF THE BOARD OF DIRECTORS**

**Director Jaymie Bradford, Chair
Director Shawn VanDiver
Director Will Rodriguez-Kennedy**

**MONDAY, JUNE 13, 2022, 10:00 A.M.
111 W. Harbor Drive, Executive Boardroom
San Diego, California 92101**

AGENDA

Pursuant to Government Code section 54953(e)(1)(B), City of San Diego City Council Resolution R-2022-396, and San Diego Convention Center Corporation Resolution No. 2022-05 approved on May 23, 2022, members of the San Diego Convention Center Corporation Board and all of its legislative bodies may participate in public meetings via teleconference or video conference. In the interest of reducing the spread of COVID-19, in-person public participation is prohibited at this time. Board meetings are held live via teleconference at the number indicated at the top of the agenda. Members of the public may participate live in the Board meeting and submit comments live on this teleconference line.

**Telephone number for members of the public
to observe, listen, and address the meeting telephonically:
1(888) 251-2909 – Access code is 6724115#**

1. Call to order: Jaymie Bradford, Chair

2. Non-Agenda Public Comment:

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board that have not previously been before the Board. Pursuant to the Brown Act, no discussion or action shall be taken by the Board on items not posted on the agenda.

3. Approve Minutes of April 18, 2022 Audit Committee Meeting

4. Chair's Report

5. Action Item:

A. Recommendation to Accept 2021 Pension Audit Results

B. Recommendation to Approve Revised/New People & Culture Policies:

- **Motor Vehicle Policy**
- **Drug Free Workplace**

- **Accommodation for Employees Seeking Treatment/Rehabilitation**
- **San Diego Convention Center Employee Handbook (Condensed)**

6. Staff Updates:

- a. Management Update – Rip Rippetoe**
- b. SDCCC Fraud/Complaints Update – Rip Rippetoe**
- c. CFO/Finance Update – Mardeen Mattix**

(1) Review of Year- to-Date Financial Variances

7. Audit Committee Comment [Govt. Code §54954.2(a)(2)]

Adjournment

This information is available in alternative formats upon request. To request an agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device ("ALD") for the meeting, please call Pat Evans at (619) 525-5131 at least five working days prior to the meeting to ensure availability. **Audio copies of Board of Director meetings are available upon request. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com to request a copy.**

In compliance with Government Code section 54957.5, non-exempt written material that is distributed to the Board prior to the meeting will be available at the meeting or it may be viewed in advance of the meeting at the corporation's offices at 111 West Harbor Drive, San Diego, CA. Materials distributed to the board after the posting of this agenda also will be available. Please contact Pat Evans at (619)525-5131 or pat.evans @ visitsandiego.com if you would like to pick up a copy of any material related to an item on this agenda.

Action items on this agenda may be consolidated for voting purposes into a single vote of the Board, to the extent they are routine or otherwise do not require further deliberation. A Board member may comment on an action item before it is voted upon as part of the consolidated vote; however, if a Board member wishes to discuss an action item, that item will not be included in the consolidated vote. If a member of the public wishes to comment upon an action item, they should so advise the Board chair at or before the public comment portion of the meeting, in which case that item will not be included in any consolidated vote.

Agenda Item 3

MINUTES

**SAN DIEGO CONVENTION CENTER CORPORATION
AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

**MONDAY, APRIL 18, 2022, 10:00 A.M.
111 W. Harbor Drive, 2nd Floor, Executive Boardroom
San Diego, California 92101**

**Director Jaymie Bradford, Chair
Director Shawn VanDiver
Director Wil Rodriguez-Kennedy**

BOARD MEMBERS PRESENT: Chair Jaymie Bradford and Directors Shawn VanDiver and Will Rodriguez-Kennedy
BOARD MEMBERS ABSENT:

STAFF PRESENT: Rip Rippetoe, Mardeen Mattix, Anastasia Rollins and Pat Evans (Recorder)

ALSO PRESENT: Kristen Olson and Lisa Casella, Marsh & McLennan Representatives

1. Call to Order:

Chair Jaymie Bradford called the meeting to order at 10:03 a.m. in the Executive Conference Room of the San Diego Convention Center Corporation, San Diego, California.

Chair Bradford announced that since this meeting is being conducted via teleconference, the first action is to perform a roll call to determine which Board members are present on this call.

Director Jaymie Bradford - Present
Director Shawn VanDiver – Absent
Director Will Rodriguez-Kennedy - Present

Chair Bradford noted that all of the Committee members were present except Director Van Diver and all votes taken at today's meeting will be recorded via roll-call vote.

2. **Non-Agenda Public Comment** – Chair Bradford requested public comment regarding any non-agenda items. Hearing none, the meeting proceeded.

3. **Approve minutes of Audit Committee Meeting of January 19, 2022.**

Directors Rodriguez-Kennedy and Bradford moved and seconded, respectively, to approve the minutes of the meeting of January 19, 2022.

Director Bradford - Aye

Director VanDiver – Absent

Director Rodriguez-Kennedy - Aye

Vote unanimous.

AYES: 2

NAYS: 0

ABSTENTIONS: 0

4. **Chairs Report:** None

5. **Action Item (s):**

Chair Bradford inquired if any member of the public wished to comment on Agenda Item 5.A. No members of the public responded to the request for comment.

- (A) Recommendation to Authorize Placement of Property, General and Umbrella Liability, Workers' Compensation and Directors & Officers Insurance Through the Brokerage Services of Marsh & McLennan Agency**

Directors Rodriguez-Kennedy and Van Diver moved and seconded, respectively, to recommend Authorizing Placement of Property, General and Umbrella Liability, Workers' Compensation and Directors & Officers Insurance Through the Brokerage Services of Marsh & McLennan Agency

Director Bradford - Aye

Director VanDiver – Absent

Director Rodriguez-Kennedy - Aye

Vote unanimous.

AYES: 2

NAYS: 0

ABSTENTIONS: 0

6. Staff Updates:

a. Management Update – Mr. Rippetoe reported the following:

- The Corporation moved forward with the appointment of Corey Albright as the Corporation’s Chief Operating Officer. Mr. Albright will oversee the following departments: Operations, Venue Facilities, Engineering, Housekeeping, Public Safety and Procurement. A formal Resolution regarding the appointment will be presented at this month’s Board meeting.

b. SDCCC Fraud/Complaints Update - Mr. Rippetoe reported that the “fraud line” has received no complaints.

a. Finance Update – Ms. Mattix reported the following:

(1) Review of Year- to-Date Financial Variances

- The Corporation is on track with its financial projections. The Corporation ended March with a net negative of \$565,000. Part of the loss is attributable to the resurgence of the COVID variant and less event attendance than anticipated.
- Year-to-date, the Corporation is higher in revenues by \$2 million which is more than projected.
- Expenses are on track with projections with some savings garnered by the delay in some planned projects.
- The Corporation currently has a net operational deficit of \$5.7 million. This figure is positive because original projections indicated the Corporation would have a deficit of approximately \$9 million at this time.
- Staff had anticipated that the City would fund the approximate \$6 million deficit by now; however, Staff will wait until after its budget presentation to the full City Council (May 10, 2022) to request deficit funding. The operating loss is currently funded from the Corporation’s reserves which are currently approximately \$17 million.
- The paperwork for the PPP loan for \$2 million has been submitted and the loan should be forgiven by the end of the year. Forgiveness of this loan will remove the liability and will increase the Corporation’s unrestricted net assets.
- The City may eventually elect to provide the Corporation with the entire \$10.2 million currently allocated in the City’s budget for the Corporation to offset future capital needs and future budget deficits.

(2) Update on Recruiting Process Changes and Impacts to Employee Handbook

- The Board previously approved Staff contracting with Ignite Human Capital to enhance the Corporation’s recruiting efforts. Ignite has reviewed

the Corporation's recruiting processes and they have made good suggestions to improve the recruitment process.

- After identifying candidates to go through the initial recruitment process of four to five weeks, Ignite found that the background check and, particularly, the drug screening process, causes a thirty percent candidate failure rate over an issue that is legal within the State of California.
- Staff feels that it would be more effective to eliminate the pre-employment drug screening (for marijuana) and instead focus on the Corporation's "reasonable suspicion" policies in the event of an on-site accident or incident. Taking this approach would not only speed up the hiring process, it would also cut down on the recruitment attrition due to drug testing. The updated "reasonable suspicion" policy will be submitted for review during the June Audit Committee meeting.
- The Corporation will also beef up its "visual inspection" standards in order to be able to contribute to a determination regarding drug or alcohol use during any on-site accident or incident.
- The Corporation will also update the Employee Handbook to reflect this new philosophy and to offer a condensed version of the Handbook which is more user friendly for employees. The full-length Handbook will still be available for employee review on-line.
- Staff is also considering accepting more on-line applications.
- Ignite has provided two resource staff for recruiting and screening applicants and they have made fourteen offers in a week (versus the two offers staff generally makes within a week). Ignite's goal is to hire and on-board fourteen line-staff positions a week over the next six weeks.
- The Corporation will still perform employee background checks but will not request references because they are time consuming and do not necessarily add value. The Corporation will be contracting with a new boutique company that will cut the process time for background checks in half.
- Ignite is also assisting with professional level staff recruitment. The priority is to hire staff for the People & Culture team and then to fill other professional level staff openings.
- The entire hiring process should be reduced from six – eight weeks down to hopefully a five-week process from the time the position is advertised to employee's first day of work.

(3) Update on Engaging in Pension Plan Audit to Commence in May

- The pension audit process will begin in May and Staff should be ready to present a preliminary draft of the audit by the June Board meeting.

(4) Review of Whistleblower Process

- Staff will perform a phone and e-mail test of the whistle blower process this week to ensure that the appropriate Board parties are receiving the notifications as designed.
- Director Rodriguez-Kennedy indicated that he has received calls on the “fraud hotline” and will forward the communications to Ms. Mattix for review. The Committee also discussed the process for Directors responding to complaints.

7. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2) - **None**

8. **Audit Committee Comment:** **None**

There being no further business, the meeting adjourned at 10:49 a.m.

CERTIFICATION

I, Jaymie Bradford, Chair of the Audit Committee of the Board of Directors of San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the business transacted by the Audit Committee of the Board of Directors of the San Diego Convention Center Corporation, Inc. at a duly noticed meeting held on April 18, 2022.

Jaymie Bradford, Chair

Agenda Item 5.A

**SAN DIEGO CONVENTION CENTER CORPORATION
M E M O R A N D U M**

TO: Audit Committee of the Board of Directors

FROM: Mardeen Mattix, Chief Financial Officer

DATE: For the Agenda of June 13, 2022

RE: Acceptance of Money Purchase Pension Plan Audited Financial Report for the Plan Year Ended December 31, 2021

BACKGROUND

Annually, the Corporation files a Public Retirement Systems Financial Transaction Report with the State Controller's Office of the San Diego Convention Center Corporation Money Purchase Pension Plan (MPPP) performance based on an annual independent audit.

DISCUSSION

The accounting firm of Considine & Considine, LLP has completed the audit of the Corporation's MPPP for the plan year ended December 31, 2021. They have served as our auditors for many years. The five (5) year contract term expired in 2019, but was extended during calendar 2020 due to the timeline constraint we were facing given the limited resources in Finance.

The purpose of this audit to express an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and whether the supplemental schedules are fairly stated in all material respects in relation to the financial statements as a whole. I am happy to report a successful audit with confirmation that our financial statements are fairly presented in conformity with U.S. GAAP, the notes include all disclosures required by laws and regulations to which the plan is subject.

_____/s/_____
Mardeen Mattix
Chief Financial Officer

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**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN**

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
San Diego Convention Center Corporation Money Purchase Pension Plan

Scope and Nature of the ERISA Section 103(a)(3)(c) Audit

We have performed an audit of the accompanying financial statements of San Diego Convention Center Corporation Money Purchase Pension Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of San Diego Convention Center Corporation Money Purchase Pension Plan's 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section

- the amounts and disclosures in the 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of San Diego Convention Center Corporation Money Purchase Pension Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego Convention Center Corporation Money Purchase Pension Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 financial statements, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of San Diego Convention Center Corporation Money Purchase Pension Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego Convention Center Corporation Money Purchase Pension Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at the end of the year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or

is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of San Diego Convention Center Corporation Money Purchase Pension Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated XXX, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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An accountancy corporation

June 7, 2022

**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020**

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	<u>2021</u>	<u>2020</u>
ASSETS		
CASH (note 5)	\$ 70,804	\$ 22,357
INVESTMENTS		
Investments at fair value (notes 6 and 7)	26,067,816	24,892,233
RECEIVABLES		
Notes receivable from participants	581,485	627,988
Administrative fee refund (note 3)	-	35,767
Employer contributions	-	33,166
	<u>581,485</u>	<u>696,921</u>
TOTAL ASSETS	26,720,105	25,611,511
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 26,720,105</u></u>	<u><u>\$ 25,611,511</u></u>

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See accompanying notes

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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	<u>2021</u>	<u>2020</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
INVESTMENT INCOME (note 6)		
Net appreciation in fair value of investments	\$ 2,058,581	\$ 1,443,405
Dividends	1,202,380	661,817
Mutual fund rebate	-	35,037
	<u>3,260,961</u>	<u>2,140,259</u>
Interest income on notes receivable from participants	26,766	35,426
CONTRIBUTIONS		
Employer	<u>1,006,723</u>	<u>1,181,202</u>
TOTAL ADDITIONS	4,294,450	3,356,887
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants (note 5)	3,090,639	3,567,919
Administration fees (note 3)	<u>95,217</u>	<u>60,346</u>
TOTAL DEDUCTIONS	<u>3,185,856</u>	<u>3,628,265</u>
NET INCREASE/(DECREASE)	1,108,594	(271,378)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>25,611,511</u>	<u>25,882,889</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 26,720,105</u></u>	<u><u>\$ 25,611,511</u></u>

See accompanying notes

**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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NOTE 1 DESCRIPTION OF PLAN

The following description of San Diego Convention Center Corporation Money Purchase Pension Plan ("Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

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GENERAL

The Plan is a defined contribution plan covering all full-time and part-time employees of The San Diego Convention Center (the "Company" or "Employer") who are not covered under a union retirement plan. Full-time employees qualify to participate in the Plan once they have completed 1,000 hours in their first year of service while part-time employees qualify to participate in the Plan once 1,000 hours have been completed each year. The Plan is subject to certain provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

CONTRIBUTIONS

Contributions to the Plan are as follows:

For each plan year, the Employer is required to contribute an amount equal to 10% of the total annual compensation of all participants who qualified to participate in the Plan. Contributions for any one plan year shall be transferred to the Plan; provided, however, such contributions shall be paid no later than the due date of the Company's corporate tax returns (or any extension thereof). In the event the annual contribution is deposited after the close of the plan year, the employer shall designate the plan year to which such contributions apply. Total payroll for the years ended December 31, 2021 and 2020 was \$13,756,639 and \$14,581,763, respectively. Contributions were calculated using eligible wages of \$11,212,027 for 184 employees and \$12,845,489 for 234 employees for the years ended December 31, 2021 and 2020, respectively. The Plan was fully funded during 2021 and 2020.

The Plan does not permit voluntary contributions.

PARTICIPANT ACCOUNTS

Participants have separate accounts for contributions to the Plan. Annually, each account recognizes appropriate contributions, plan earnings or losses net of fees, and applicable forfeitures upon participant termination.

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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FORFEITED ACCOUNTS

Forfeitures are used to reduce the employer's liability for current or subsequent contributions to the Plan.

VESTING

Vesting in participant's accounts, based on years of service, is as follows:

<u>Years of service</u>	<u>Vested %</u>
Less than 1 year	None
1 year but less than 2	20
2 years but less than 3	40
3 years but less than 4	60
4 years but less than 5	80
5 years of more	100

LOANS

Participant loans are permitted under the Plan, however, loan amounts may not exceed the lesser of \$50,000 or 50% of the participant's vested account balance, subject to a minimum loan amount of \$1,000. Interest charged on the loans is prime rate plus 0.5%.

Under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), effective March 27, 2020 through September 23, 2020, loan provisions were temporarily adopted for 2020. Loan amounts were to not exceed the lesser of \$100,000 or 100% of the participant's vested account balance during this period and the delay of loan payments were allowed.

INVESTMENT OPTIONS

Upon enrollment into the Plan, participants may direct their account balances in any investment alternatives approved by the trustee, including but not limited to mutual funds and the common and collective fund. All earnings and losses on the directed investments are credited directly to the participants' accounts.

PAYMENT OF BENEFITS

Vested benefits are payable in one lump-sum distribution of the entire account balance or in a single sum payment of a portion of the account balance.



**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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For purposes of determining whether or not a withdrawal is being used to provide benefits in accordance with the Plan document, the term "benefits" is limited to amounts becoming payable to the participant due to:

- (A) termination of employment
- (B) retirement
- (C) disability
- (D) death

as defined in the plan document.

Withdrawals for reasons other than those listed above are allowed but may be subject to certain charges and adjustments.

In the event of a mandatory distribution greater than \$1,000, but no more than \$5,000, in accordance with the payment provisions of the Plan, if the participant does not elect to have such distributions paid directly to an eligible retirement plan specified by the participant in a direct rollover or to receive the distribution directly under any form of payment allowed under the Plan, then the distribution will be paid in a direct rollover to an individual retirement plan designated by the plan administrator. Mandatory distributions of \$1,000 or less will be paid in cash as directed by the plan administrator, unless the participant elects a direct rollover or elects to receive the distribution under another form permitted by the Plan.

Under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), effective January 1, 2020 to December 31, 2020, distribution provisions were temporarily adopted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared using the accrual method in conformity with generally accepted accounting principles (GAAP) in the United States of America.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Investments Valuation and Income Recognition - Investments are maintained in mutual funds and in a non-fully benefit-responsive common collective trust and are stated at values certified by the institution that holds the Plan's assets as an investment manager and are under the custody of the Plan trustee.

**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
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Quoted market prices are used to value investments at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. The cost basis of the assets was \$23,397,933 and \$23,392,282 as of December 31, 2021 and 2020, respectively.

Fair Value Measurement - The Plan follows accounting standards consistent with the Financial Accounting Standards Board (FASB) Codification which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

Classification and measurement of financial instruments - The Plan follows Accounting Standards Update (ASU) 2016-01 "Recognition and Measurement of Financial Assets and Financial Liabilities." This ASU amends certain aspects of current guidance on the recognition, measurement and disclosure of financial instruments. Among other changes, this ASU requires most equity investments to be measured at fair value. Additionally, the ASU eliminates the requirement to disclose the method and significant assumptions used to estimate the fair value for instruments not recognized at fair value in the Plan's financial statements.

Notes Receivable from Participants - Loans to participants are reported at their unpaid principal balances plus any accrued but unpaid interest. Management regularly reviews the collectability of the delinquent loan balances and records an allowance based on circumstances of the individual's underlying loan. Uncollectible loans are written off against the participant's balance at the time the participant leaves the Plan. Notes receivable from participants are reported net of an allowance of \$0 as of December 31, 2021 and 2020.

Benefits - Benefits are recorded when paid. At December 31, 2021, there is an unpaid benefit for one participant totaling \$7,339. There were no unpaid benefits at December 31, 2020.

Income Taxes - The Plan follows accounting standards which clarify the accounting for uncertainty in income taxes recognized in the Plan's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. The Plan is a governmental plan as defined in section 3(32) of ERISA, and thus exempt from Title 1 of ERISA and certain provisions of the Internal Revenue Code. The Plan is subject to the unrelated business income tax (UBIT) in any taxable year its unrelated business taxable income (UBTI) exceeds \$1,000. The Company does not believe it has conducted business which is not substantially related to the Plan's exempt purpose or invested in any non-qualified



**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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investments that would be subject to UBIT. As of December 31, 2021 and 2020, the Plan has not accrued interest or penalties related to uncertain tax positions.

NOTE 3 ADMINISTRATIVE EXPENSES

Expenses of the Plan, to the extent that the employer does not pay such expenses, may be paid out of the assets of the Plan provided that such payment is permitted by law. Certain investment related expenses are included as a reduction of investment return and are not separately reflected. During the years ended December 31, 2021 and 2020, the majority of the administrative expenses of the Plan were paid using assets of the Plan. Amounts totaling \$95,217 and \$60,346 were paid directly by the Plan for administration fees for the years ended December 31, 2021 and 2020, respectively.

For the year ended December 31, 2020, the Plan recorded a receivable for overcharged administrative fees totaling \$35,767. The Plan received this refund in 2021.

NOTE 4 PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, the rights of all employees to account balances accrued to the date of the termination are fully vested and non-forfeitable.

NOTE 5 BENEFITS PAID TO PARTICIPANTS

For the years ended December 31, 2021 and 2020, \$3,090,639 and \$3,567,919, respectively, have been distributed to participants who have withdrawn from the Plan.

For the years ended December 31, 2021 and 2020, the total amount of forfeitures used for the Plan were \$85,944 and \$55,893, respectively. Forfeitures are used to reduce employer contributions to the Plan. At December 31, 2021 and 2020, there were forfeited nonvested accounts totaling \$11,155 and \$20,277, respectively.

As a result of the spread of the COVID-19 Coronavirus and the resulting health orders, operations were significantly impacted during 2021 and 2020. The Company furloughed and laid-off employees, resulting in a significant increase in distributions to participants during 2021 and 2020.



**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 6 INFORMATION PREPARED AND CERTIFIED BY PLAN TRUSTEE

The following is information prepared and certified by Charles Schwab Trust Bank:

	2021	2020
Cash	\$ 70,804	\$ 22,357
Investments at fair value:		
Mutual funds	23,418,319	21,708,322
Common and collective fund	2,649,497	3,183,911
	<u>26,067,816</u>	<u>24,892,233</u>
	<u>\$ 26,138,620</u>	<u>\$ 24,914,590</u>
	2021	2020
Investment income:		
Net appreciation in fair value of investments	\$ 2,058,581	\$ 1,575,737
Dividends	661,817	635,844
	<u>\$ 2,720,398</u>	<u>\$ 2,211,581</u>

The following is information prepared and certified by Wells Fargo Bank:

	2021	2020
Investment income/(loss):		
Net depreciation in fair value of investments	\$ -	\$ (132,332)
Dividends	-	25,972
Mutual fund rebate	-	35,037
Interest income on notes receivable from participants	-	21,062
	<u>\$ -</u>	<u>\$ (50,261)</u>

During 2021 and 2020, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the years) appreciated in value by \$2,058,581 and \$1,443,405, respectively.

NOTE 7 COMMON AND COLLECTIVE FUND

The Plan has a non-fully benefit-responsive common and collective fund with Charles Schwab Trust Bank and that is operated as a stable return fund. Charles Schwab Trust Bank maintains Plan contributions in an unallocated account which is part of the general assets of Charles Schwab Trust Bank. The fund is included in the financial statements at fair value as reported to the Plan by Charles Schwab Trust Bank at December 31, 2021 and 2020. The fund is credited with contributions made under the fund, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value.

**SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
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DECEMBER 31, 2021 AND 2020**

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There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the fund at December 31, 2021 and 2020 was \$2,649,497 and \$3,183,911, respectively. The crediting interest rate was 2.20% at December 31, 2021 and 1.96% at December 31, 2020. The crediting interest rate is based on the rate in effect when money is deposited in the account.

NOTE 8 FAIR VALUE MEASUREMENT

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The fair value of the interest in the mutual funds is based on the closing price reported in the active market where the individual securities are traded, when available and is classified as Level 1 investments.

The common and collective fund operates as a stable return fund. The fund is valued on the basis of the relative interest of each participating investor in the fair value of the underlying assets of each of the respective common collective trusts. The values of the underlying investments are observable, and accordingly, the investments are classified as Level 2.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

Financial assets carried at fair value at December 31, 2021 are classified below in one of the three categories described above. The table below presents the balances of assets measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	\$ 23,418,319	\$ -	\$ -	\$ 23,418,319
Common and collective fund	-	2,649,497	-	2,649,497
	<u>\$ 23,418,319</u>	<u>\$ 2,649,497</u>	<u>\$ -</u>	<u>\$ 26,067,816</u>

Financial assets carried at fair value at December 31, 2020 are classified below in one of the three categories described above. The table below presents the balances of assets measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	\$ 21,708,322	\$ -	\$ -	\$ 21,708,322
Common and collective fund	-	3,183,911	-	3,183,911
	<u>\$ 21,708,322</u>	<u>\$ 3,183,911</u>	<u>\$ -</u>	<u>\$ 24,892,233</u>

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 10 RELATED PARTY TRANSACTIONS

Certain Plan investments include a common and collective fund and shares of money market funds managed by Charles Schwab Trust Bank (previously Wells Fargo Bank). Charles Schwab Trust Bank is the trustee as defined by the Plan effective July 31, 2020 (previously Wells Fargo Bank). Administrative fees incurred by the Plan to the Trustees totaled \$10,546 and \$60,346 for the years ended December 31, 2021 and 2020, respectively. Administrative fees incurred by the Plan to the third party administrator, Randall and Hurley, Inc. totaled \$34,239 and \$9,803 for the years ended December 31, 2021 and 2020,

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**SAN DIEGO CONVENTION CENTER CORPORATION
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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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respectively. Consulting fees incurred by the Plan to RBC Capital Markets, LLC totaled \$50,432 and \$11,815, for the years ended December 31, 2021 and 2020, respectively. The Company also pays certain administrative fees of the Plan, which are not reimbursed. In addition, the Company provides administrative services to the Plan at no cost to the Plan. Substantially all of the Plan's operating expenses are paid by the Company. These transactions qualify as party-in-interest transactions.

NOTE 11 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through June 7, 2022, the date which the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR)
DECEMBER 31, 2021

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Plan Sponsor's EIN: 33-0107636
Plan Number: 001

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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	American Fds Target Date Ret 2025 R6	Mutual fund	**	\$ 5,316,038
	American Funds Target Date Ret 2040 R6	Mutual fund	**	4,076,325
	Wells Fargo Stable Value Fund C	Common and collective funds	**	2,649,497
	MFS Mid Cap Growth CL R6	Mutual fund	**	1,933,896
	American Fds Target Date Ret 2030 R6	Mutual fund	**	1,724,766
	American Fds Target Date Ret 2010 R6	Mutual fund	**	1,493,430
	Vanguard 500 Index F	Mutual fund	**	1,172,608
	American Fds Target Date Ret 2035 R6	Mutual fund	**	993,655
	American Fds Target Date Ret 2050 R6	Mutual fund	**	830,659
	American Fds Target Date Ret 2020 R6	Mutual fund	**	683,709
	MFS Growth FUnd CL R6	Mutual fund	**	674,175
	Vanguard Info Tech Index Fd Admiral	Mutual fund	**	651,821
	American Fd 2055 Target Date	Mutual fund	**	586,941
	American Fds Target Date Ret 2045 R6	Mutual fund	**	474,795
	American Fd 2060 Target Date	Mutual fund	**	440,042
	JP Morgan Equity Income R6	Mutual fund	**	374,815
	Pimco Rae Us Small Fund Instl	Mutual fund	**	358,910
	T. Rowe Price Overseas Stock Fund I	Mutual fund	**	282,817
	American Funds Target Date Ret 2015 R6	Mutual fund	**	274,352
	Vanguard Healthcare Index Fd Adm	Mutual fund	**	174,236
	PGIM Total Return Bd R6	Mutual fund	**	167,199

See accompanying independent auditor's report

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR)
DECEMBER 31, 2021

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Plan Sponsor's EIN : 33-0107636
Plan Number: 001

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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Vanguard Total Intl Stock Index Adm	Mutual fund	**	139,456
	Conestoga Small Cap Inst	Mutual fund	**	114,285
*	Vanguard Real Estate In Fd Adm Shares	Mutual fund	**	112,085
	Vanguard Financials Index Fd Adm Shr	Mutual fund	**	104,064
	Cash	Cash	**	70,804
	Wells Fargo Special Mid Cap Val R6	Mutual fund	**	61,219
	Vanguard Total Bond Market Index Adm	Mutual fund	**	58,850
	Vanguard FTSE Social Index ADM	Mutual fund	**	50,246
	Vanguard Extended Market Index Fund ADM	Mutual fund	**	48,061
	Invesco Oppenheimer Dev Markets R6	Mutual fund	**	30,161
	American Funds New Perspective R6	Mutual fund	**	12,523
	American Funds Target Date Ret 2065 R6	Mutual fund	**	2,180
				\$ 26,138,620

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost has been omitted as investment is participant directed.

See accompanying independent auditor's report

SAN DIEGO CONVENTION CENTER CORPORATION
MONEY PURCHASE PENSION PLAN
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT THE END OF YEAR)
DECEMBER 31, 2021

Plan Sponsor's EIN: 33-0107636
 Plan Number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Notes receivable from participants	Various maturity dates Interest rate 3.75% - 6.00%	**	\$ 581,485

* Indicates an identified person known to be a party-in-interest to the Plan.
 ** Cost has been omitted as investment is participant directed.

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Agenda Item 5.B

San Diego Convention Center Corporation PERSONNEL POLICY

Subject: Motor Vehicle Policy

Policy No.:

Issue No.:

Date: June 2022

Supersedes:

Employees who drive on Company business are expected to drive safely and responsibly and to use good judgment and courtesy. Employees are also subject to the following rules and conditions:

1. Employees may not use a Company vehicle without express authorization from the appropriate director. **A Vehicle Use Form must be completed and provided to Risk Management, along with a copy of a valid and current driver's license, prior to operating a company vehicle. A Vehicle Use Log must be maintained in each company vehicle and updated with each use.**
2. Employees who drive their own vehicles for work must maintain the minimum amount of insurance required by state law as a condition of continued employment. SDCCC may request proof of insurance at any time.
3. A valid driver's license must be maintained as a condition of continued employment for positions that require driving. SDCCC may request to see an employee's license at any time.
4. Employees must follow all driving laws and safety rules, such as adherence to posted speed limits and directional signs, use of turn signals, and avoidance of confrontational or offensive behavior while driving. Employees must wear seat belts at all times, whether they are the driver or a passenger.
5. Except for a phone being used for navigation purposes only, employees are required to turn off cell phones or put them on silent before starting the vehicle. Employees are permitted and encouraged to communicate the reason why calls may not be returned immediately to clients, employees, and business partners. Employees who are using a device for navigation purposes should complete all setup before starting the vehicle. The use of electronic devices for purposes other than navigation is strictly prohibited. This includes, but is not limited to, making or receiving phone calls, sending or receiving text messages or emails, browsing the internet, reading books, and downloading information from the web. If an employee needs to engage in any of these activities while driving, they must pull over to a safe location and stop the vehicle before using any device.
6. Employees should not engage in other distracting activities such as eating, shaving, or putting on makeup, even in stopped or slow-moving traffic.
7. The use of alcohol, drugs, or other substances that in any way impair driving ability is prohibited. This includes, but is not limited to, over-the-counter cold or allergy medications and sleep aids that have a residual effect.
8. All passengers must be approved by management in advance of travel and must not ride in any part of the vehicle not specifically intended for passenger use or any seat that does not have a working seat belt.
9. Employees must promptly report any accidents to local law enforcement as well as to Risk Management.

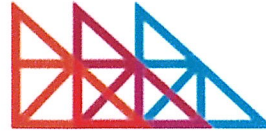
Agenda Item 5.B

10. Employees must promptly report any moving or parking violations received while driving on SDCCC business or in company vehicles.
11. Employees who are required to drive as a condition of employment must maintain an acceptable driving record; the inability to be insured under the Corporation's automobile insurance policy may impact continued employment.

This Policy may be amended, modified or supplemented from time to time by SDCCC, as necessary to conform to SDCCC's needs or desires in connection with the employee's alternate work site arrangements, to conform to changes in the policy or procedure, or as otherwise necessary to address business needs or to comply with laws, rules, or regulations.

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SAN DIEGO
convention center



SDCCC Motor Vehicle Use Authorization Form

Employee Name _____

Employee Driver's License Number _____

The above-named employee is authorized to operate an SDCCC motor vehicle under the following conditions:

- All applicable traffic laws and safety precautions are followed.
- The employee assumes full responsibility for any traffic violations and/or fines arising out of the use of the automobile.
- No unauthorized passengers will be allowed in the vehicle.
- Any suspected maintenance issues or circumstances causing damage to the vehicle will be reported immediately.
- The automobile will be used exclusively for pre-approved SDCC business purposes.
- **All standards listed in the SDCCC Vehicle Use Policy (xxxx) will be followed.**

I have read, understood, and agree to comply with the above conditions. I also authorize a representative of SDCC to request my motor vehicle record report from the Department of Motor Vehicles.

Employee Signature _____ Date _____

Director Approval:

(Print Name) _____ Date _____

(Signature) _____ Date _____

Submit to Risk Management with copy of driver's license

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SDCC Vehicle Use Log

Enter beginning mileage here:

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Agenda Item 5.B

San Diego Convention Center Corporation

EMPLOYMENT POLICY

Subject: DRUG FREE WORKPLACE
Policy No.: 703 (previously 504)
Issue No.: 6
Date: June 2022
Supersedes: November 2009

1. Purpose

Our employees' health and well-being are important to us. In addition, the San Diego Convention Center Corporation ("Corporation") has a long-standing commitment to provide a safe and productive work environment. Alcohol and drug abuse poses a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, the Corporation is committed to the elimination of drug and alcohol use and abuse in the workplace.

This policy provides an overview of important practices and procedures designed to correct instances of identified alcohol and/or drug abuse in the workplace. This policy applies to all employees and all applicants for employment of the Corporation.

2. Alcohol

2.1 Except for approved functions and activities, all employees are prohibited from consuming alcoholic beverages during working hours.

2.1.1 Working hours is defined as all compensated work time including breaks, but not including uncompensated lunch hours or time before and after the scheduled workday. However, as stated below, employees should not report to work under the influence of alcohol. Therefore, consuming alcohol during meal breaks is prohibited.

2.2 All employees are prohibited from consuming or processing alcoholic beverages while on Corporation property or in Corporation uniform. Except for approved functions and activities.

2.3 All employees are prohibited from consuming alcoholic beverages at any time if the use of alcohol has or could have a detrimental effect on job performance or the ability to operate company equipment.

2.4 All employees are prohibited from reporting to work or working while under the influence of alcohol. Employees who are suspected of being under the influence will be removed from work and tested. Employees will be considered under the influence of tests reveal body alcohol content of .08 or higher.

2.5 Employees who operate equipment and machinery, including power tools and power equipment, and employees who perform security and public safety duties as a regular part of their daily activities, or who are required to operate motor vehicles, are prohibited from consuming alcoholic beverages at any

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time during their work shift, including compensated breaks and uncompensated lunch periods. Employees working in the above capacities will be considered under the influence if tests reveal any perceptible trace of alcohol.

3. Controlled Substances

3.1 The unlawful use, sale, negotiation for the sale of or the possession of drugs, drug paraphernalia or controlled substances by Corporation employees during working hours, on Corporation property, in Corporation vehicle or in Corporation uniform is prohibited and will result in termination of employment.

3.2 The lawful use or possession of medication or controlled substances, prescribed by a licensed physician or the use or possession of a non-prescription medication is not prohibited. An employee whose job performance may be affected by such use, must advise their supervisor. Failure to advise your supervisor may result in discipline for poor performance or misconduct.

4. Required Testing

The Corporation complies with all federal, state and local testing laws and regulations. The company retains the right to require the following tests:

4.1 Pre-Employment: All candidates who have received a written offer may be required to undergo testing for alcohol and drug screening.

4.2 Reasonable Suspicion: Reasonable Suspicion is defined as a belief based on objective facts sufficient to lead reasonable prudent person to suspect that an employee is under the influence of a substance. Reasonable suspicion may result from an actual observation of the use of substance by an employee; an employee's involvement in an on-the-job accident; an employee's excessive absence or tardiness; possession of alcohol/drugs in violation of this policy; reliable information that the employee is currently or has recently used a controlled substance or alcohol. Employees are subject to testing based on (but not limited to) observations of apparent workplace use, possession, or impairment. Management must use the *Reasonable Suspicion Observation Form* to document specific observations and behaviors that create a reasonable suspicion that an employee is under the influence of illegal drugs or alcohol before sending an employee for testing. Examples include:

- Odors (smell of alcohol, body odor or urine, inattention to personal hygiene)
- Movements (unsteady, fidgety, dizzy)
- Eyes (dilated pupils, constricted or watery eyes, or involuntary eye movements)
- Face (flushed, sweating, confused or blank look)
- Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts)
- Emotions (argumentative, agitated, irritable, drowsy, severe mood swings, unexplained personality change)
- Actions (yawning, twitching)
- Inactions (sleeping, unconscious, no reaction to questions)

When reasonable suspicion testing is warranted, Management will meet with the employee to explain the observations and the requirement to undergo a drug and/or alcohol test within two hours. Refusal

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by an employee will be treated as a positive drug test result and will subject the employee to termination.

Under no circumstances will the employee be allowed to drive themselves to the testing facility. Transportation will be provided for the employee to go the testing site or will be arranged for the employee to be transported home.

4.3 Employee Accident – Employees involved in on-the-job accidents which results in personal injury while using power tools, operating a vehicle or equipment requiring medical treatment; injury to another individual due to an employee's actions requiring medical treatment; or property damage where the employee has violated safety policies, rules, or regulations, shall be required to undergo a compulsory medical examination including drug and alcohol screening.

4.4 Any employees required to take a mandatory drug test will also be required to authorize in writing the disclosure of the results of such test under this policy. Failure to do so may result in disciplinary action up to and including discharge. Refusal to immediately submit to an alcohol and/or drug test by San Diego Convention Center Corporation management or law enforcement personnel, will constitute insubordination and may result in termination.

4.5 Any employees found to be under the influence of alcohol or controlled substances i will result in termination of employment.

5. Confidentiality

5.1 Maximum feasible confidentiality will be maintained during all alcohol and drug testing procedures. The results of all alcohol and drug testing will be disclosed on a need-to-know basis.

6. Drug Free Workplace

6.1 The Corporation is covered by the Federal Drug-Free Workplace Act and The California Drug-Free Workplace Act, and provides a drug-free workplace. As a covered employer, the Corporation must certify to the contracting government agencies that it will provide a drug-free workplace in connection with the performance of its government contracts. All employees will be given and will be required to sign an Employee Notification Statement. The Corporation will include drug-free awareness information in its programs and will comply with the requirements that the government be notified of any employee's workplace-related drug conviction.

In connection with the Corporation's drug-free workplace compliance efforts, please note the following requirements.

- Employees must, as a condition of employment, report any conviction under a criminal drug statute for violations occurring on Corporation premises or while conducting Corporation business. A report of a conviction must be made to People & Culture Department within five days of the conviction. Within ten days of learning about an employee's conviction, the Corporation must notify any governmental agency with which it contracts or subcontracts of the employee's criminal drug statute conviction.

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- Within 30 days of the date the Corporation learns of an employee's conviction, the employee will be disciplined, up to and including termination. Any employee not terminated will be required to satisfactorily participate and complete a drug abuse assistance or rehabilitation program.
- Each employee, as a condition of employment, shall sign an Employee Notification Statement which sets forth the requirements of the Drug-Free Workplace Act.

The Corporation will make ongoing good-faith efforts to maintain a drug-free workplace by implementing the above requirements. Any questions regarding our drug-free workplace compliance efforts should be directed to the People & Culture Department.

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San Diego Convention Center Corporations

PERSONNEL EMPLOYMENT POLICY

Subject: ~~SUBSTANCE ABUSE POLICY~~; DRUG FREE WORKPLACE
Policy No.: 7036 (previously 504)
Issue No.: 56
Date: ~~November 2009~~ June 2022
Supersedes: November ~~2003~~ 2009

1. Purpose

Our employees' health and well-being are important to us. In addition, the San Diego Convention Center Corporation ("Corporation") has a long-standing commitment to provide a safe and productive work environment. Alcohol and drug abuse poses a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, the Corporation is committed to the elimination of drug and alcohol use and abuse in the workplace.

This policy provides an overview of important practices and procedures designed to correct instances of identified alcohol and/or drug abuse in the workplace. This policy applies to all employees and all applicants for employment of the Corporation.

1. In recognition of the public service responsibility entrusted to the employee of the San Diego Convention Center Corporation, and the fact that substance abuse can hinder a person's ability to perform duties safely and effectively, the Corporation strictly adheres to the following policy against substance abuse.

2. Alcohol

2.1 Except for approved functions and activities, all employees are prohibited from consuming alcoholic beverages during working hours.

2.1.1 Working hours is defined as all compensated work time including breaks, but not including uncompensated lunch hours or time before and after the scheduled ~~work day~~ workday. However, as stated below, employees should not report to work under the influence of alcohol. Therefore, consuming alcohol during meal breaks is prohibited.

2.2 All employees are prohibited from consuming or processing alcoholic beverages while on Corporation property or in Corporation uniform. Except for approved functions and activities.

2.3 All employees are prohibited from consuming alcoholic beverages at any time if the use of alcohol has or could have a detrimental effect on job performance or the ability to operate company equipment.

2.4 All employees are prohibited from reporting to work or working while under the influence of alcohol. Employees who are suspected of being under the influence will be removed from work and

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tested. Employees will be considered under the influence of tests reveal body alcohol content of .08 or higher.

2.5 Employees who operate equipment and machinery, including power tools and power equipment, and employees who perform security and public safety duties as a regular part of their daily activities, or who are required to operate motor vehicles, are prohibited from consuming alcoholic beverages at any time during their work shift, including compensated breaks and uncompensated lunch periods. Employees working in the above capacities will be considered under the influence if tests reveal any perceptible trace of alcohol.

Section 7 – Conduct Standards July 2020
SDCC Employee Handbook May 2021

7-11

3. Controlled Substances

3.1 The unlawful use, sale, negotiation for the sale of or the possession of drugs, drug paraphernalia or controlled substances by Corporation employees during working hours, on Corporation property, in Corporation vehicle or in Corporation uniform is prohibited and will result in termination of employment.

3.2 The lawful use or possession of medication or controlled substances, prescribed by a licensed physician or the use or possession of a non-prescription medication is not prohibited. An employee whose job performance may be affected by such use, must advise his/her/their supervisor. Failure to advise your supervisor may result in discipline ~~disciples~~ for poor performance or misconduct.

4. Required Testing

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The Corporation complies with all federal, state and local testing laws and regulations. The company retains the right to require the following tests:

4.1 Pre-Employment: All candidates who have received a written offer may be required to undergo testing for alcohol and drug screening. Post-Employment Offer: All applicants for employment are required to pass a post-employment offer alcohol and drug screening.

4.2 Reasonable Suspicion: Reasonable Suspicion is defined as a belief based on objective facts sufficient to lead reasonable prudent person to suspect that an employee is under the influence of a substance. Reasonable suspicion may result from an actual observation of the use of substance by an employee; an employee's involvement in an on-the-job accident; an employee's excessive absence or tardiness; possession of alcohol/drugs in violation of this policy; reliable information that the employee is currently or has recently used a controlled substance or alcohol. Employees are subject to testing based on (but not limited to) observations of apparent workplace use, possession, or impairment. Management must use the *Reasonable Suspicion Observation Form* to document specific observations and behaviors that create a reasonable suspicion that an employee is under the influence of illegal drugs or alcohol before sending an employee for testing. Examples include:

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- -Odors (smell of alcohol, body odor or urine, inattention to personal hygiene)
- Movements (unsteady, fidgety, dizzy)
- Eyes (dilated pupils, constricted or watery eyes, or involuntary eye movements)

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- Face (flushed, sweating, confused or blank look)
- Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts)
- Emotions (argumentative, agitated, irritable, drowsy, severe mood swings, unexplained personality change)
- Actions (yawning, twitching)
- Inactions (sleeping, unconscious, no reaction to questions)

When reasonable suspicion testing is warranted, ~~both the appropriate manager and HR~~ Management will meet with the employee to explain the observations and the requirement to undergo a drug and/or alcohol test within two hours. Refusal by an employee will be treated as a positive drug test result and will subject the employee to termination.

Under no circumstances will the employee be allowed to drive themselves to the testing facility. ~~Transportation will be provided for the employee to go the testing site or will be arranged for the employee to be transported home. An employee may be required to undergo a compulsory medical examination including drug and alcohol screening if there is a reasonable suspicion of substance abuse.~~

4.2.1 — Reasonable Suspicion is defined as a belief based on objective facts sufficient to lead reasonable prudent person to suspect that an employee is under the influence of a substance. Reasonable suspicion may result from an actual observation of the use of substance by an employee; an employee's involvement in an on the job accident; an employee's excessive absence or tardiness; possession of alcohol/drugs in violation of this policy; reliable information that the employee is currently or has recently used a controlled substance or alcohol; observation of physical symptoms such as slurred speech, red and/or watery eyes, unsteady gait, dilated pupils, drowsiness or sleeping on the job, observation of severe mood swings, unexplained personality change, inattention to personal hygiene and frequent unexplained or excessive accidents.

4.3 Employee Accident – Employees involved in ~~on the job~~on-the-job accidents which results in personal injury while using power tools, operating a vehicle or equipment requiring medical treatment; injury to another individual due to an employee's actions requiring medical treatment; or property damage where the employee has violated safety policies, rules, or regulations, shall be required to undergo a compulsory medical examination including drug and alcohol screening.

4.4 Any employees required to take a mandatory drug test will also be required to authorize in writing the disclosure of the results of such test under this policy. Failure to do so may result in disciplinary action up to and including discharge. Refusal to immediately submit to an alcohol and/or drug test by San Diego Convention Center Corporation management or law enforcement personnel, will constitute insubordination and may result in termination.

4.5 Any employees found to be under the influence of alcohol or controlled substances ~~is prohibited~~and will result in termination of employment.

5. Confidentiality

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5.1 Maximum feasible confidentiality will be maintained during all alcohol and drug testing procedures. The results of all alcohol and drug testing will be disclosed on a ~~need-to-know~~need-to-know basis.

6. Drug Free Workplace

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6.1 The Corporation is covered by the Federal Drug-Free Workplace Act and The California Drug-Free Workplace Act, and provides a drug-free workplace. As a covered employer, the Corporation must certify to the contracting government agencies that it will provide a drug-free ~~w~~Workplace in connection with the performance of its government contracts. All employees will be given and will be required to sign

~~a~~An Employee Notification Statement. The Corporation will include drug-free awareness information in its programs and will comply with the requirements that the government be notified of any employee's workplace-related drug conviction.

In ~~connections~~ with the Corporation's drug-free workplace compliance efforts, please note the following requirements.

- Employees must, as a condition of employment, report any conviction under a criminal drug statute for violations occurring on Corporation premises or while conducting Corporation business. A report of a conviction must be made to ~~Human Resources~~People & Culture Department within five days of the conviction. Within ten days of learning about an employee's conviction, the Corporation must notify any governmental agency with which it contracts or subcontracts of the employee's criminal drug statute conviction.
- Within 30 days of the date the Corporation learns of an employee's conviction, the employee will be disciplined, up to and including termination. Any employee not terminated will be required to satisfactorily participate and complete a drug abuse assistance or rehabilitation program.
- Each employee, as a condition of employment, shall sign an Employee Notification Statement which sets forth the requirements of the Drug-Free Workplace Act.

The Corporation will make ongoing good-faith efforts to maintain a drug-free workplace by implementing the above requirements. ~~Our failure to comply with the provisions of the drug-free workplace statutes may subject the corporation to loss of payments under a government contract, termination of the contract, and debarment as a contractor for up to five years.~~ Any questions regarding our drug-free workplace compliance efforts should be directed to the ~~Human Resources~~People & Culture Department.

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SDCC Employee Handbook May 2021

San Diego Convention Center Corporation

PERSONNEL-EMPLOYMENT POLICY

Subject: ACCOMMODATION OF EMPLOYEES SEEKING TREATMENT/REHABILITATION
PolicyNo.: 705
Issue No.: 12
Date: June 2022~~August 2009~~
Supersedes: August 2009

The Corporation will attempt to reasonably accommodate employees with chemical dependencies (alcohol or drugs). Only if they have not first violated the Corporation's drug and alcohol policy. If an employee voluntarily wants to seek treatment and/or rehabilitation, ~~they~~he or she should request and unpaid treatment or rehabilitation leave of absence. Although the Corporation will support an employee's request for treatment and rehabilitation, the Corporation is not obligated to continue to employ any person who violates the Corporation's drug and alcohol abuse policy or whose job performance is impaired because of substance abuse. Employees who violate the drug and alcohol abuse policy or whose job performance is impaired as a result of substance abuse will be subject to discipline up to and including termination. The Corporation is also not obligated to reemploy any person who was participated in treatment or rehabilitation if that person's job performance remains impaired as a result of dependency. Employees who are given the opportunity to seek treatment and/or rehabilitation and are involved in any further violations of this policy will not be given a second opportunity to seek treatment or rehabilitation.

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Section 7 - Conduct Standards July 2020

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SDCC Employee Handbook May 2021

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San Diego Convention Center Corporation

EMPLOYMENT POLICY

Subject: ACCOMMODATION OF EMPLOYEES SEEKING TREATMENT/REHABILITATION
Policy No.: 705
Issue No.: 2
Date: June 2022
Supersedes: August 2009

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San Diego Convention Center Corporation

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San Diego Convention Center Corporation

PERSONNEL EMPLOYMENT POLICY

Subject: ACCOMMODATION OF EMPLOYEES SEEKING TREATMENT/REHABILITATION

PolicyNo.: 705

Issue No.: 12

Date: June 2022~~August 2009~~

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San Diego Convention Center Employee Handbook



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Welcome

Welcome to the San Diego Convention Center Corporation (“SDCCC”) team! We are delighted that you have chosen to join the team and hope that you will enjoy a long and successful career with us.

This Handbook is not intended to create contractual rights or an employment contract, but is intended to provide employees with important information about working at SDCCC in order to help you be successful in your role. The Handbook also contains information related to employee benefits and key policies governing your employment. Please read, understand, and comply with all provisions of the handbook.

SDCCC reserves the right to revise, supplement, or rescind any policies and any part of this handbook from time to time as it deems appropriate in its sole discretion, except that SDCCC’s at-will employment policy may only be changed in writing signed by both SDCCC’s President & CEO and the employee.

Except for employees who are covered by a collective bargaining agreement (“CBA”), your employment with the San Diego Convention Center Corporation is “at-will” and may be terminated by you or SDCCC at any time. If your work place and job classification are covered by a CBA, that agreement supersedes any inconsistencies between the CBA and this handbook.

While every attempt has been made to create policies consistent with federal and state law, if an inconsistency arises, SDCCC’s policies will be enforced consistent with the applicable law, including any state or municipal laws that might apply.

Please take time to review the policies contained in this handbook. If you have questions, feel free to ask your supervisor or contact the People & Culture department. The People & Culture team is dedicated to supporting employees throughout their employment with the Corporation.

Again, welcome to SDCCC. We look forward to working with you.

About Us

Our 2.6-million-square-foot facility is located along the waterfront in downtown San Diego, steps from the bustling Gaslamp District. Our Convention Center and our team are recognized as leaders in our industry and we have received the Venue of Excellence award from the International Association of Venue Managers (IAVM).

Purpose & Promise

Our Purpose: The San Diego Convention Center is the region's premier gathering place, hosting conventions, trade shows and community events that economically benefit the City of San Diego and advance our convention and tourism industry.

Our Promise: To provide our customers and guests outstanding service, consistently exceeding expectations, so that they want to come back over and over again, to invest further in San Diego.

Core Values:

Integrity: We are truthful and honest. We do what we say whether the task is big or small. Our language and actions in the performance of our duties are above reproach. They are based on values rather than personal gains. Our code of conduct relies on trust, honesty, respect and dignity.

Service: We commit to not only meeting the needs but surpassing the expectations of every guest to our facility. Excellence is our minimum standard in maintaining our facility and in our personal grooming in order to create an exceptional first impression for our guests. Any staff that is not directly serving a customer is to be serving someone who is...we take pride in developing lasting relationships.

Collaboration: We create an environment that encourages the participation and cooperation of all team members to achieve the best results. We over communicate to ensure everyone works together for the greater good. We listen to understand rather than just to reply.

Courage: We work together toward our goals despite the presence of risk, uncertainty or fear. We make choices that reflect our hopes and power to change when it serves our customers. We speak up when something does not meet work standards or our core values.

Accountability: Everyone is accountable to each other in providing service and high work standards. Anyone inside or outside the organization can ask 'why?' If we don't have a good answer, we change the decision. We keep ourselves well informed, and if we don't know the answer to a question, find the answer as soon as possible and relay it to our guest immediately. Every question about our facility and services deserves an intelligent answer.

Essential Employment Policies

1. Equal Employment Opportunity

SDCCC is committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives.

SDCCC provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religious creed, age, ancestry, religion (including religious dress and grooming and having requested accommodation of bona fide religious belief or practice), family care, military caregiver and/or medical leave status, sex (including childbirth, breastfeeding and related medical conditions and requesting accommodation for a pregnancy or childbirth-related condition), gender, gender identity, and/or gender expression, sexual orientation, national origin, physical or mental disability (including requesting an accommodation for a disability), military and/or veteran status, marital and/or domestic partner status, status as a victim of domestic violence, sexual assault or stalking (including requesting related accommodations), genetic characteristics, or any other employee or applicant status or category protected by law.

Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

All employees are expected to conduct themselves in a manner supportive of SDCCC's commitment to equal employment opportunity. Employees should, and supervisors must, promptly report any observed or suspected violations of this policy to People & Culture or SDCCC President & CEO so that SDCCC can investigate, respond and take appropriate corrective action in a timely manner.

2. Reasonable Accommodations

SDCCC provides reasonable accommodations consistent with applicable law for qualified employees and applicants with known disabilities or who request accommodation for disabilities; employees who request accommodation for pregnancy, childbirth or related medical conditions; employees who are victims of domestic violence, sexual assault or stalking; and for applicants and employees based on their religious beliefs and/or practices.

If you believe that you require such an accommodation, please contact People & Culture so that SDCCC may engage in an interactive process to determine whether a reasonable and effective accommodation can be identified. You should specify in what way you are limited in your ability to perform your job and what accommodation you believe is needed. SDCCC will review the situation with you and identify possible accommodations, if any, that will enable you to perform the essential functions of your job. If there is more than one possible accommodation, SDCCC will decide which one will be provided.

3. Lactation Accommodation

SDCCC will reasonably accommodate lactation. Employees may use their meal and/or rest periods for the purpose of expressing breast milk. If required, a reasonable amount of additional time will be provided. Such additional time will be unpaid.

To request lactation accommodation, employees should contact People & Culture. SDCCC will work with the employee to determine the appropriate break times and location for expressing milk. SDCCC will respond to an employee's request for lactation accommodation within five business days. Employees will be provided with a room that has a seat, access to electricity, and is safe, clean, and free of toxic materials. The location for expressing milk will be in close proximity to a sink and a refrigerator. To ensure privacy, employees should make arrangements for these breaks with their supervisor.

Please see People & Culture for more information. In the unlikely event that an employee is not accommodated under this policy, you have the right to file a complaint with the California Labor Commissioner.

4. Harassment, Discrimination, and Retaliation Prevention Policy

SDCCC does not tolerate discrimination against or the harassment of any applicant or employee on the basis of age, sex (including pregnancy, childbirth, breastfeeding or related medical conditions), race, color, ancestry, religion (including religious dress and grooming practices), religious creed, citizenship, gender, gender identity, gender expression, transgender status, sexual orientation, marital status, national origin, military or veteran status, mental or physical disability, medical condition, genetic information or any other basis protected by applicable federal, state or local laws. All such discrimination and harassment is prohibited.

This policy also prohibits discrimination or harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

SDCCC's anti-harassment policy applies to all persons involved in the operation of SDCCC and prohibits inappropriate and/or unlawful harassment by employee (including management, supervisors, coworkers), as well as vendors, guests, customers, clients, and any other persons.

4.1 What Constitutes Harassment?

"Unlawful harassment" is conduct that has the purpose or effect of creating an intimidating, hostile, or offensive work environment; has the purpose or effect of substantially and unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities because of the individual's membership in a protected class.

Unlawful harassment includes, but is not limited to, epithets; slurs; jokes; pranks; innuendo; comments; written or graphic material; stereotyping; or other threatening, hostile, or intimidating acts based on race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, veteran status, or other characteristic protected by state or federal law.

While all forms of harassment are prohibited, sexual harassment deserves special mention. “Sexual harassment” is generally defined under both state and federal law as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature where:

- Submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of any individual’s employment or as a basis for employment decisions; *or*
- Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive work environment.

Other sexually oriented conduct, whether intended or not, that is unwelcome and has the effect of creating a work environment that is hostile, offensive, intimidating, or humiliating to workers may also constitute sexual harassment.

Although actions may not rise to the level of a legally defined violation, they may still violate this policy. Clearly, sexual harassment is unprofessional and not supportive of a high performing work environment. Sexually harassing conduct can be physical, verbal, visual or written, and can occur between people of the same or different sex and/or same or different sexual orientation. Sexual harassment can occur between peers, supervisor to subordinate, subordinate to supervisor, or clients or vendors to employee.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwanted sexual advances, whether they involve physical touching or not;
- Sexual epithets, jokes, written or oral references to sexual conduct, gossip regarding one’s sex life, comments about an individual’s body, comments about an individual’s sexual activity, deficiencies, or prowess;
- Displaying sexually suggestive objects, pictures, or cartoons;
- Unwelcome leering, whistling, brushing up against the body, sexual gestures, or suggestive or insulting comments;
- Inquiries into one’s sexual experiences; and
- Discussion of one’s sexual activities.

Bullying behavior, regardless of whether it is motivated by a protected characteristic, is also prohibited by this policy. “Bullying” or “abusive conduct” means conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer’s legitimate business interests.

Abusive conduct may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance.

4.2 Romantic/Dating Relationships

Romantic or sexual relationships between supervisors and subordinate employees are prohibited. There is an inherent imbalance of power and potential for exploitation in such relationships. The relationship may create an appearance of impropriety and lead to charges of favoritism by other employees. A welcome sexual relationship may change, with the result that sexual conduct that was once welcome becomes unwelcome and harassing.

Employees who enter into a relationship that would violate this policy must immediately disclose the relationship to People & Culture so that appropriate steps may be taken to eliminate the reporting relationship.

4.3 Retaliation Prohibited

All employees should take special note that retaliation against an individual who has complained about sexual or other harassment, discrimination, and/or retaliation is strictly prohibited. Likewise, retaliation against individuals for cooperating with an investigation of sexual or other harassment, discrimination, or retaliation complaint is unlawful and will not be tolerated at SDCCC.

Retaliation means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below.

“Adverse conduct” includes but is not limited to:

- shunning and avoiding an individual who reports harassment, discrimination, or retaliation;
- express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; or
- denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process.

4.4 Complaint Procedures

Any employee who believes they have been subject to or witnessed a violation of this Harassment, Discrimination, and Retaliation Prevention Policy is requested and encouraged to immediately make a complaint. You may complain directly to your immediate supervisor, the People & Culture department, the President & CEO, or any other member of management with whom you feel comfortable bringing such a complaint.

Similarly, if you observe acts of discrimination toward, harassment of, or retaliation toward another employee, non-supervisory employees are requested and encouraged

to report this to one of the individuals listed above. Managers *must* report to People & Culture all harassment, discrimination, or retaliation that they witness or are informed about.

No reprisal, retaliation, or other adverse action will be taken against an employee for making a good faith complaint or report of discrimination or harassment or for assisting in the investigation of any such complaint or report. Any suspected retaliation or intimidation should be reported immediately to one of the persons identified above.

All complaints will be investigated promptly, thoroughly, and objectively, and, to the extent possible, with regard for confidentiality. However, in the course of its investigation, SDCCC may have to include others on a need-to-know basis.

SDCCC expects all employees to cooperate in investigations whether as a witness, third party, complainant, or accused. The complainant(s) and the accused(s) will be notified of the outcome of the investigation; however, because of privacy concerns, specific personnel actions taken in response to an investigation may not be shared.

If the investigation confirms conduct contrary to this policy has occurred, SDCCC will take immediate, appropriate, remedial action. Any employee, regardless if they are in a supervisory or non-supervisory position, that is determined by SDCCC to be responsible for harassment, discrimination, or retaliation in violation of this policy will be subject to appropriate disciplinary action, up to and including immediate termination.

Individuals who engage in unlawful harassment may also be held personally liable for their conduct, including monetary penalties as set by a court.

Employees may also lodge complaints with the local office of the Equal Employment Opportunity Commission ("EEOC") or the California Department of Fair Employment and Housing ("DFEH").

4.5 Required Training

California law mandates all non-supervisory employees complete one hour of harassment prevention training within six months of hire. Supervisory employees are required to complete two hours of harassment prevention training within six months of hire or promotion to a supervisory position. Thereafter, training must be completed every two years. Failure to complete this required training may result in disciplinary action up to and including termination.

5. Whistleblower

SDCCC requires all employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, and to comply with all applicable federal, state and local laws, rules and regulations. Should you become aware of, or suspect: (1) a violation of federal, state, or local laws, rules or regulations;

or (2) an instance of fraud, corruption, theft of Corporation property or other illegal or unethical activity, you must immediately report the incident to Corporation management, the People & Culture department, or via the Corporate Fraud Hotline or Employee Hotline numbers. Notices with further details regarding the Whistleblower policy are posted throughout the facility.

6. Pay Transparency and Salary History

SDCCC will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, except as required by law.

In addition, all employees interviewing candidates are prohibited from seeking information regarding an applicant's salary history.

Employment Terms and Responsibilities

1. At-Will Employment

Employment with SDCCC is “at-will,” meaning you and SDCCC have the right to terminate your employment relationship at any time with or without cause and with or without prior notice, regardless of your level or length of service.

Only SDCCC’s President & CEO has the authority to establish or enter into any contract that changes the “at-will” nature of your employment as described above. Any such contract must be in writing and signed by SDCCC's President & CEO.

2. Employment Classification

In order to determine eligibility for benefits and overtime status and to ensure compliance with federal and state laws and regulations, SDCCC classifies its employees as shown below. SDCCC may review or change employee classifications at any time.

Exempt. Exempt employees are paid on a salaried basis and are not eligible to receive overtime pay.

Nonexempt. Nonexempt employees are paid on an hourly basis and are eligible to receive overtime pay for overtime hours worked.

Full-Time Employee. Employees who are not in a temporary status and work a minimum of 40 hours weekly and maintain continuous employment status. Generally, these employees are eligible for the full-time benefits package and are subject to the terms, conditions, and limitations of each benefits program.

Variable Hour Employee. An employee who works an average of thirty 30 hours a week in a 12-month measurement period (lookback). Such employees are eligible for medical benefits, subject to the premium cost sharing arrangement.

Part-Time/On-Call Employee. An employee placed on the employment rolls to work a varied schedule that fluctuates according to staffing needs in the facility. Part time on-call employees are only eligible for statutory benefits offered by SDCCC and are subject to the terms, conditions, and limitations of each benefits program.

Casual Employee. An employee as defined by the collective bargaining agreement with SEIU-USWW. Casual employees are only eligible for statutory benefits offered by SDCCC and are subject to the terms, conditions, and limitations of each benefits program.

Employment beyond any initially stated period does not in any way imply a change in employment status.

3. Meal and Rest Periods

3.1 Meal Periods

All nonexempt employees must take an uninterrupted, duty-free meal period of at least 30 minutes each day they work more than five hours. However, if you work a period of not more than six hours to complete your day's work, you may choose to waive the unpaid meal period with the written consent of your supervisor.

You must begin the meal period before you complete your fifth hour of work. For example, if you begin working at 8:30 a.m. you must start your meal period prior to 1:30 p.m. You should coordinate with your supervisor on meal break scheduling.

All nonexempt employees must take a second uninterrupted meal period of at least 30 minutes each day they work more than 10 hours. You must begin the second meal period before you complete your tenth hour of work.

Meal periods are unpaid and duty-free, so you should not perform any work during your meal period. You must record the actual times that you stop and start work to take a meal period. You are free to leave the office during your meal periods, but you must resume work promptly after your meal period ends.

If you feel that you were not provided the opportunity to take a full, uninterrupted, duty-free meal period as authorized and permitted under this policy, you should inform your supervisor immediately, and if not promptly resolved, notify People & Culture.

3.2 Rest Periods

All nonexempt employees are authorized, permitted, and strongly encouraged to take a 15-minute rest period every four (4) hours worked or major fraction thereof. At the San Diego Convention Center, this amounts to two 15-minute rest periods per eight-hour workday. Typically, assuming your lunch break is in the middle of the workday, the first rest period should be taken roughly in the middle of the work period prior to lunch, and the second rest period should be taken roughly in the middle of the work period following lunch. You should coordinate with your supervisor on rest break scheduling.

You do not need to record the times of these rest periods. You will be paid for the time spent on your rest periods. Rest periods should be fully off-duty, meaning you should not perform any work while taking your rest period. You are free to leave the office during your rest periods, but you must return and be ready to resume work promptly after your rest period ends. Rest periods may not be combined with meal periods and may not be skipped in order to leave work early.

If you feel that you were not provided the opportunity to take a full, uninterrupted, duty-free rest period as authorized and permitted by this policy, you should inform your supervisor immediately, and if not promptly resolved, notify People & Culture.

4. Attendance Policy

Employees are expected to be at work and to arrive to work on time. One of SDCCC's most valuable resources is its employees. For this resource to be utilized effectively, employees must be present to contribute their skills, experience, and work efforts. It is important that each employee realize the specific and valuable contribution they make, and accept responsibility for good attendance, in order to maximize that contribution. Still, we recognize that employees occasionally become ill, need to miss work, or will be late.

It is each employee's responsibility to be at work, to arrive at work on time, and to provide appropriate notification when the employee will be absent or tardy. Employees are discouraged from frequent, unexplained absences or tardiness as it reflects poorly on the employee's work record and may result in disciplinary action, including termination.

Any employee who fails to report to work for a period of three days or more without notifying their supervisor will be considered to have abandoned the job and voluntarily terminated the employment relationship.

For more information, please see the Standards of Conduct policy or ask People & Culture.

5. Confidentiality

The protection of confidential business information and trade secrets is vital to the interests and success of SDCCC. Confidential information is any and all information

disclosed to or known by you because of employment with SDCCC that is not generally known to people outside SDCCC about its business.

Employees, as a condition of employment, will be required to sign and abide by a confidential information agreement. Employees who improperly use or disclose confidential business information will be subject to disciplinary action up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

This provision is not intended to, and should not be interpreted to, prohibit employees from discussing wages and other terms and conditions of employment if they so choose.

6. Conflicts of Interest

SDCCC expects all employees to conduct themselves and company business in a manner that reflects the highest standards of ethical conduct, and in accordance with all federal, state, and local laws and regulations. This includes avoiding real and potential conflicts of interests.

Determining exactly what constitutes a conflict of interest or an unethical business practice involves moral, legal, and reputational considerations. SDCCC recognizes and respects the individual employee's right to engage in activities outside of employment which are private in nature and do not in any way conflict with or reflect poorly on SDCCC.

It is not possible to define all the circumstances and relationships that might create a conflict of interest. If a situation arises where there is a potential conflict of interest, the employee should discuss this with your supervisor or People & Culture for advice and guidance on how to proceed.

The list below suggests some of the types of activity that indicate improper behavior, unacceptable personal integrity, or unacceptable ethics:

- Simultaneous employment by another organization that is a competitor of SDCCC.
- Holding a substantial interest in, or participating in the management of, a company to which SDCCC makes purchases.
- Borrowing money from customers or vendors, other than recognized loan institutions, from which SDCCC provides or buys services, materials, equipment, or supplies.
- Accepting substantial gifts or excessive entertainment from an outside organization or agency.
- Misusing privileged information or revealing confidential data to outsiders.
- Using one's position in SDCCC or knowledge of its affairs for personal gains.

7. Information Security Acceptable Use Policy

SDCCC is committed to safeguarding its confidential information and its computer network. All employees who are provided with access to Company data and computer systems, including smart phones, ("IT Resources") are required to conduct themselves in a professional and responsible manner.

Employees are responsible to comply with the following:

- Employees are not permitted to download software (including shareware) on any SDCCC-owned computer or other device without IT approval.
- Employees must protect their IT Resources from theft.
- Employees may not use IT Resources for inappropriate purposes, such as to violate any SDCCC policy (for example, policies against workplace harassment or use of confidential and proprietary information), to violate any laws (for example, by infringing on another's copyright, patent, or other intellectual property right), or in a way that interferes with business productivity.
- Examples of prohibited uses of SDCCC-provided IT Resources include: accessing pornographic or sexually-oriented sites, internet sites or social media dedicated to violence or hatred, MP3 downloads and file sharing sites, audio and video streaming technologies that are non-job related, and soliciting over the internet for personal profit or gain.
- Employees must immediately report any suspected viruses, malware, or security breaches to IT.
- Employees must not use company-wide distribution lists without express permission from People & Culture (with the exception of emergencies).
- Employees are prohibited from using personal email accounts for SDCCC business.

8. No Expectation of Privacy in Company Property or Technology Resources

All Company property and systems are made available to employees to perform their jobs. Accordingly, employees should have no expectation that their use of SDCCC property is private, or that any items they bring onto or store on or in SDCCC property are private.

Specifically, desks, lockers, and any other SDCCC-owned equipment or work spaces may be searched at any time for any valid business purpose. Similarly, SDCCC-owned computers and mobile devices, storage devices, and SDCCC's computer network may be accessed by SDCCC at any time, without prior notice. In addition, personal devices may be searched to the extent that they are used for work purposes. For example, SDCCC may access work email, even if stored on a personal device. Likewise, information accessed on your personal device using SDCCC's network may be accessed by SDCCC at any time, without prior notice. Accordingly, even though you may be provided with or permitted to use a key or combination, or a password, SDCCC may still access its property and all information on its systems at any time, without prior

notice. This may be done to monitor employees' work, expedite completion of a project, ensure that messages are being responded to, assist with an investigation, for legal proceedings, or for any other valid business reason.

9. Telecommuting

Telecommuting allows employees to work at home, on the road or in a satellite location for all or part of their workweek. SDCCC considers telecommuting to be a viable, flexible work option when both the employee and the job are suited to such an arrangement. Telecommuting may be appropriate for some employees and jobs but not for others. Telecommuting is not an entitlement, it is not a companywide benefit, and it in no way changes the terms and conditions of employment with SDCCC.

For more information, please see the Telecommuting policy or ask People & Culture.

10. Safety

Protecting the safety of our employees and visitors is vitally important.

All employees have the opportunity and responsibility to contribute to a safe work environment by using commonsense rules and safe practices and by notifying management when any health or safety issues are present. All employees are encouraged to partner with management to ensure maximum safety for all. Please refer to the Safety & Security policy for more specific information on safety.

In addition, employees must promptly report any injury – regardless of how minor – to People & Culture.

In compliance with California law and to promote the concept of a safe work place, SDCCC maintains an Injury and Illness Prevention Program. A copy of this program is maintained by SDCCC's Executive Director, People & Culture. For further information regarding this program, please contact SDCCC's Executive Director, People & Culture.

11. Workplace Violence Prevention

SDCCC is committed to providing a safe, violence-free workplace for our employees. Threats, threatening language, or any other acts of aggression or violence made toward or by any employee will not be tolerated. A threat may include any verbal or physical harassment or abuse, attempts to intimidate others, menacing gestures, stalking, or any other hostile, aggressive, and/or destructive actions taken for the purposes of intimidation. This policy covers any violent or potentially violent behavior that occurs in the workplace or at Company-sponsored functions.

In addition, employees are strictly prohibited from bringing any weapon of any kind to SDCCC's office.

All employees bear the responsibility of keeping our work environment free from violence or potential violence. Any employee who witnesses or is the recipient of violent

behavior should promptly inform their supervisor or People & Culture. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat in good faith under this guideline.

Any individual engaging in violence against SDCCC, its employees, or its property will be prosecuted to the full extent of the law. All acts will be investigated, and the appropriate action will be taken. Any such act or threatening behavior may result in disciplinary action up to and including termination. Even actions or remarks intended to be humorous may violate this policy and be the subject of disciplinary measures, including immediate termination of employment.

12. Drug-Free Workplace

Our employees' health and well-being are important to us. In addition, the San Diego Convention Center Corporation ("Corporation") has a long-standing commitment to provide a safe and productive work environment. Alcohol and drug abuse poses a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, the Corporation is committed to the elimination of drug and alcohol use and abuse in the workplace.

The Corporation is covered by the Federal Drug-Free Workplace Act and The California Drug-Free Workplace Act, and provides a drug-free workplace. As a covered employer, the Corporation must certify to the contracting government agencies that it will provide a drug-free workplace in connection with the performance of its government contracts. All employees will be given and will be required to sign an Employee Notification Statement. The Corporation will include drug-free awareness information in its programs and will comply with the requirements that the government be notified of any employee's workplace-related drug conviction.

This policy provides an overview of important practices and procedures designed to correct instances of identified alcohol and/or drug abuse in the workplace. This policy applies to all employees and all applicants for employment with the Corporation.

In connection with the Corporation's drug-free workplace compliance efforts, please note the following requirements.

- Employees must, as a condition of employment, report any conviction under a criminal drug statute for violations occurring on Corporation premises or while conducting Corporation business. A report of a conviction must be made to People & Culture Department within five days of the conviction. Within ten days of learning about an employee's conviction, the Corporation must notify any governmental agency with which it contracts or subcontracts of the employee's criminal drug statute conviction.
- Within 30 days of the date the Corporation learns of an employee's conviction, the employee will be disciplined, up to and including termination. Any employee not

terminated will be required to satisfactorily participate and complete a drug abuse assistance or rehabilitation program.

- Each employee, as a condition of employment, shall sign an Employee Notification Statement which sets forth the requirements of the Drug-Free Workplace Act.

The Corporation will make ongoing good-faith efforts to maintain a drug-free workplace by implementing the above requirements. Any questions regarding our drug-free workplace compliance efforts should be directed to the People & Culture Department.

Alcohol

Except for approved functions and activities, all employees are prohibited from consuming or possessing alcoholic beverages during working hours, while on SDCCC property, and/or in SDCCC uniform. Working hours is defined as all compensated work time including breaks, but not including uncompensated lunch hours or time before and after the scheduled work day. However, as stated below, employees should not report to work under the influence of alcohol. Therefore, consuming alcohol at any time during their work shift, including compensated breaks and uncompensated meal periods, is prohibited. Employees will be considered under the influence if tests reveal any perceptible trace of alcohol.

All employees are prohibited from consuming alcoholic beverages at any time if the use of alcohol has or could have a detrimental effect on job performance or the ability to operate company equipment. All employees are prohibited from reporting to work or working while under the influence of alcohol. Employees who are suspected of being under the influence will be removed from work and tested.

In order to maintain safety and compliance with local laws, employees must use good judgment and act responsibly. Please note that employees are never required to drink alcohol. Employees using tools, operating machinery, or driving on SDCCC business are strictly prohibited from consuming any product before or during their shift. If you violate these guidelines, you may be subject to disciplinary action up to and including termination.

Controlled Substances

The unlawful use, sale, negotiation for the sale of or the possession of drugs, drug paraphernalia or controlled substances by Corporation employees during working hours, on Corporation property, in Corporation vehicle or in Corporation uniform is prohibited and will result in termination of employment.

The lawful use or possession of medication or controlled substances, prescribed by a licensed physician or the use or possession of a non-prescription medication is not prohibited. An employee whose job performance may be affected by such use, must advise their supervisor. Failure to advise your supervisor may result in discipline for poor performance or misconduct.

Required Testing

The Corporation complies with all federal, state and local testing laws and regulations. The company retains the right to require the following tests:

1. **Pre-Employment:** Candidates who have received a written offer may be required to undergo testing for alcohol and drug screening.

2. **Reasonable Suspicion:** Reasonable Suspicion is defined as a belief based on objective facts sufficient to lead reasonable prudent person to suspect that an employee is under the influence of a substance. Reasonable suspicion may result from an actual observation of the use of substance by an employee; an employee's involvement in an on-the-job accident; an employee's excessive absence or tardiness; possession of alcohol/drugs in violation of this policy; reliable information that the employee is currently or has recently used a controlled substance or alcohol. Employees are subject to testing based on (but not limited to) observations of apparent workplace use, possession, or impairment. Management must use the *Reasonable Suspicion Observation Form* to document specific observations and behaviors that create a reasonable suspicion that an employee is under the influence of illegal drugs or alcohol before sending an employee for testing. Examples include, but are not limited to:
 - Odors (smell of alcohol, body odor or urine, inattention to personal hygiene)
 - Movements (unsteady, fidgety, dizzy)
 - Eyes (dilated pupils, constricted or watery eyes, or involuntary eye movements)
 - Face (flushed, sweating, confused or blank look)
 - Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts)
 - Emotions (argumentative, agitated, irritable, drowsy, severe mood swings, unexplained personality change)
 - Actions (yawning, twitching)
 - Inactions (sleeping, unconscious, no reaction to questions)

When reasonable suspicion testing is warranted, Management will meet with the employee to explain the observations and the requirement to undergo a drug and/or alcohol test within two hours. Refusal by an employee will be treated as a positive drug test result and will subject the employee to termination.

Under no circumstances will the employee be allowed to drive themselves to the testing facility. Transportation will be provided for the employee to go the testing site or will be arranged for the employee to be transported home.

3. **Employee Accident** – Employees involved in on-the-job accidents which results in personal injury while using power tools, operating a vehicle or equipment

requiring medical treatment; injury to another individual due to an employee's actions requiring medical treatment; or property damage where the employee has violated safety policies, rules, or regulations, shall be required to undergo a compulsory medical examination including drug and alcohol screening.

Any employees required to take a mandatory drug test will also be required to authorize in writing the disclosure of the results of such test under this policy. Failure to do so may result in disciplinary action up to and including discharge. Refusal to immediately submit to an alcohol and/or drug test by San Diego Convention Center Corporation management or law enforcement personnel, will constitute insubordination and may result in termination.

Any employees found to be under the influence of alcohol or controlled substances i will result in termination of employment.

Maximum feasible confidentiality will be maintained during all alcohol and drug testing procedures. The results of all alcohol and drug testing will be disclosed on a need-to-know basis.

13. Smoke-Free Workplace

It is SDCCC policy to provide a smoke-free work environment. The prohibition on smoking includes e-cigarettes and vape pens.

14. Standards of Conduct

We are committed to being a great organization and are proud of the integrity, respect, efficiency, and good citizenship of our employees. Maintaining our good name depends upon continuance of these high standards of conduct by all employees.

- Every employee is expected to comply with all federal and state laws and regulations affecting SDCCC. As well, SDCCC expects that employees observe the highest standard of integrity in all dealings with clients, customers, financial information, fellow employees, other companies, governments, and the general public.
- Effective work habits require fundamental honesty with time as well as property. It means doing a fair day's work for a fair day's pay: arriving on time, keeping absences to a minimum, restricting personal telephone calls, and staying with the work at hand.
- SDCCC materials, vehicles, equipment, tools, property, and employee time are to be used solely for purposes related directly to SDCCC operations. Exceptions are not permitted without the authorization of an employee's manager.
- Since it is not possible to list all the forms of behaviors that are considered unacceptable in the workplace, the following are examples of infractions of rules

of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of stolen property
- Falsification of timekeeping records; violation of personnel policies
- Working under the influence of alcohol or illegal drugs
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- Possession of explosives or firearms in the workplace
- Fighting or threatening violence in the workplace
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property; unauthorized disclosure of business “secrets” or confidential information
- Rude or other disrespectful conduct that violates SDCCC policy of treating everyone with respect and civility
- Violation of safety or health rules; sexual or other unlawful harassment

15. Progressive Discipline

Employees are expected to observe all policies and procedures and accept personal responsibility for maintaining high standards of conduct and performance at all times. Disciplinary action may be taken when these expectations are not met. SDCCC may use progressive discipline in the form of verbal warnings, written warnings, final written warnings, suspensions, and termination. SDCCC reserves the right to forego progressive discipline as it deems appropriate given the facts and circumstances. Nothing in this policy is intended to alter the at-will nature of your employment with SDCCC. For more information, please see People & Culture.

Employee Compensation

1. Pay for All Hours Worked

All nonexempt employees are required to complete accurate weekly time reports showing all time actually worked. This means they must clock in and out whenever they begin, cease, or resume working during the course of a workday. While you need not clock out and in during your rest periods, you must clock out and in during your meal periods. These records are required by governmental regulations and are used to calculate regular and overtime pay. Employees should regularly review their time sheets in UKG Time & Attendance to ensure all hours worked are accurately recorded. If you find an error, you must report it immediately to your supervisor and to payroll.

Nonexempt employees are strictly prohibited from working “off the clock” or failing to record all time worked. If you are ever asked to work “off the clock” or you feel pressured to do so, you should immediately report the situation to People & Culture or

the President & CEO. Falsification of any timecard may result in disciplinary action, up to and including termination.

2. Overtime

When required due to the needs of the business, you may be asked to work overtime. Overtime is paid in accordance with state and federal law. Paid leave, such as holiday, paid sick leave, and paid vacation leave does not apply toward work time.

Nonexempt employees are entitled to overtime as follows:

- One and a half times the regular rate for hours worked beyond eight hours up to 12 hours in a workday;
- One and a half times the regular rate for hours worked beyond 40 hours in a workweek;
- Double time for hours worked beyond 12 hours in a workday;
- One and one half times the regular rate for the first eight hours worked on the seventh consecutive workday in a workweek;
- Double time for all hours worked beyond eight on the seventh day of work in a workweek.

All overtime work must be approved in advance by a supervisor. Unapproved overtime violates SDCCC policy and can lead to disciplinary action.

Nonexempt employees are discouraged from using voicemail, email, and other electronic work tools outside of regular working hours, because work done may be considered work time or overtime. If a nonexempt employee uses these work tools in non-work time, the time spent must be recorded on their time card. As with overtime in the office, unapproved use of voicemail, etc., outside of normal work time violates SDCCC policy and can lead to disciplinary action.

Nonexempt employees must record all hours worked. Working “off the clock” is never permitted. If you are ever asked to work “off the clock” or you feel pressured to do so, you should immediately report the situation to People & Culture or the President & CEO. Falsification of any timecard may result in disciplinary action, up to and including termination.

3. Workweek and Hours of Work

For the purposes of calculating overtime, the San Diego Convention Center Corporation operates on a twenty-four (24) hour, seven (7) days per week basis. Our work schedule consists of five (5) days of eight (8) hours in a seven (7) day period. The Corporation’s workweek begins on Saturday and ends on Friday. Normal office hours are from 8 a.m. to 5 p.m. Monday through Friday with a one hour unpaid lunch break. Non-office workers may be assigned different work schedules depending on their job.

4. Paydays

Employees are paid biweekly, with paydays on every other Friday. If payday falls on a federal holiday, employees will receive their paycheck on the preceding workday.

Wage statements are provided to you each pay period. All employees are responsible to ensure that their paychecks are accurate. Employees who discover a mistake in their paycheck, should notify management immediately. In the case of a mistake, the error will be remedied promptly.

5. Business Expense Reimbursement

SDCCC reimburses necessarily incurred business expenses. Employees should have advance approval from their supervisor before incurring business expenses. When submitting expenses for reimbursement, the employee must provide original receipts as well as an itemized listing of the business purpose of the expenses.

Employees who drive personal vehicles for business purposes will be reimbursed at the standard IRS mileage rate. To request reimbursement, employees must complete a expense report form and list the business purpose of the travel. Please note that an employee's ordinary commute to and from the office is not a "business expense." Employees who drive for business purposes are expected to maintain adequate insurance for their personal vehicles.

Employees are generally not permitted to use personal cell phones for business purposes. However, in the event of emergency use of an employee's personal cell phone for business purposes, the employee must promptly inform People & Culture so that SDCCC may reimburse such use. Positions requiring regular use For more information, please see People & Culture.

Benefits

1. Holidays

SDCCC observes the following paid holidays:

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

Holidays as are approved by the Board of Directors

If one of these holidays falls on a Sunday, it will be observed on the following Monday. If the holiday falls on a Saturday, SDCCC will select either the following Monday or the preceding Friday as a substitute holiday.

Full-time employees are eligible for holiday pay. Part-time, casual, and temporary employees are not eligible for holiday pay, unless otherwise provided for in a Collective Bargaining Agreement. Holiday pay shall be at the employee's regular straight-time rate times the employee's regularly scheduled hours (not to exceed 8 hours). Employees on an unpaid leave of absence are not eligible for holiday pay.

If you are a nonexempt, full-time employee and you are required to work on a SDCCC-observed holiday, you will be paid eight hours for the holiday and in addition, you will be paid for the actual hours worked. Represented, nonexempt part-time employees refer to your Collective Bargaining Agreement for designated holidays and holiday pay.

2. Annual Leave

Annual leave is compensated time off for eligible employees who are absent from work because of illness, injury, medical or dental care appointments, personal business, or personal vacation. In compliance with the Healthy Workplaces, Healthy Families Act of 2014 and the San Diego Sick Leave and Minimum Wage Ordinance, employees may use annual leave for the purposes set forth in Labor Code section 246.5 including, but not limited to, their own treatment or preventive care or for specified purposes if the employee is a victim of domestic violence, sexual assault or stalking. Employees may also use annual leave for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, the employee's family member.

SDCCC encourages all staff to use their accrued annual leave for rest and relaxation. SDCCC recognizes that employees may risk reaching the maximum accrual before they can take time off. With this in mind, SDCCC has implemented voluntary uses for annual leave other than time off. These alternatives include compensation in lieu of annual leave, compassionate donation, and deferred retirement contribution. In order to use one of the alternative choices, the employee must meet certain criteria. Please see People & Culture for more information.

If an employee elects to use annual leave for reasons other than for time off, employee's annual leave may not fall below 40 hours. Before an employee can elect to use annual leave for reasons other than for time off a second time in a fiscal year the employee must have used at least 80 hours PTO, as time off, in a rolling 12-month period. Time off need not be consecutive days. Voluntary uses for annual leave include compensation in lieu of annual leave, defer compensation to a retirement program or make a compassionate donation in lieu of annual leave. Unless otherwise specified within this policy, each voluntary alternative for annual leave may not be elected more than two times in a fiscal year.

2.1 Accrual and Use / Full-Time Employees

Length of Service	Accrual Per Bi-Weekly Pay Period	Annualized (Estimated)
0 months to 4 years	6.462 hours	21 days
5 years to 9 years	7.077 hours	23 days
10 years to 14 years	8.000 hours	26 days
15 years to 19 years	8.923 hours	29 days
More than 20 years	10.154 hours	33 days

Length of service will be measured and adjusted in the pay period of the employee's anniversary date.

Annual leave may be accumulated up to a maximum of 480 hours. Any employee who reaches the maximum accrual cap will cease to accrue annual leave until the accumulated hours drop to less than the maximum. Separated employees will be paid for all accrued but unused annual leave.

Annual leave does not accrue during unpaid leaves of absence.

2.2 Accrual and Use / Part-Time Employees

Part time employees accrue annual leave with pay at the rate of .04 hours for every hour worked, up to a maximum of 80 hours.

In accordance with collective bargaining agreements ("CBA"), any accrued annual leave for part-time union employees as of June 30 of each year shall be paid out to the employee, unless otherwise specified in the CBA. Such payment of accrued annual leave shall be made by August 1. Although accrued and unused annual leave as of June 30 of each year is paid out, accrual of annual leave continues as appropriate in relation to hours worked.

All non-represented part-time employees as of June 30 of each year shall be paid out to the employee any accrued/unused annual leave above 40 hours. Such payment of accrued annual leave shall be made by August 1. Although accrued and unused annual leave above 40 hours as of June 30 of each year is paid out, accrual of annual leave continues as appropriate in relation to hours worked.

Upon separation from SDCCC, part time employees will be paid for all accrued but unused annual leave.

Employees may schedule vacation during any month of the year, although, whenever possible, employees are expected to request approval from their supervisor thirty days in advance of the requested vacation dates.

Vacation will be paid, using annual leave, at the employee's regular rate of pay at the time it is taken. For employees eligible for holiday pay, when a holiday is observed on a regularly scheduled work day and coincides with an employee's scheduled vacation, the day will be paid as a holiday and not be considered a vacation day.

Nonexempt employees may use vacation time in minimum increments of one hour. Exempt employees may use vacation in minimum increments of four hours.

Employees will be paid for any accrued but unused vacation upon termination of employment in accordance with applicable law.

Annual leave does not accrue during unpaid leaves of absence.

2.3 Annual Leave Time-off Requests

Annual leave requests of five (5) or more days must be approved by the supervisor at least two (2) weeks in advance, except in emergency situations. When the need for annual leave is foreseeable and advance notice is possible, unless otherwise directed, employees are required to complete the appropriate Leave Request Form (e.g. Annual Leave) available on-line in UKG Time & Attendance (UTA) to request annual leave. Where the need for annual leave is unforeseeable, employees shall provide notice of the need for the leave as soon as practicable.

Annual leave may be used, if the employee chooses, to supplement State Disability Insurance and temporary disability payments granted under the provisions of the Workers Compensation Act. However, employees shall not receive compensation in excess of their regular pay for the period of disability.

Employees who wish to supplement State Disability Insurance with annual leave should submit such request to People & Culture prior to applying for State Disability (before beginning their medical leave).

Annual leave abuse may result in appropriate disciplinary action in accordance with SDCCC's personnel policies.

SDCCC's annual leave policy satisfies the requirements of California's Paid Sick Leave law, as well as the local San Diego ordinance. SDCCC prohibits retaliation against employees for their use of paid sick leave. If you have any questions, please contact People & Culture.

3. Group Benefits

SDCCC recognizes the value of benefits to employees and their families. SDCCC supports employees by offering a comprehensive and competitive benefits program. You may be eligible for the following group benefits:

- Medical Coverage
- Dental Coverage
- Vision Coverage
- Flexible Spending Accounts
- Long-term Disability Insurance
- Basic Life Insurance
- Deferred Compensation Plan
- Retirement Plan
- Employee Assistance Program

For more information regarding benefit programs, please refer to the Summary Plan Descriptions (SPD) in the workforce portal landing page. There is no guarantee that SDCCC will continue to maintain benefits except as required by law or that the terms and conditions of any such plan will not be changed at any time.

4. Workers' Compensation

Workers' compensation is a "no-fault" system that provides compensation for medical expenses and wage losses to employees who are injured or who become ill because of employment.

SDCCC pays the entire cost of workers' compensation insurance. The insurance provides coverage for related medical and rehabilitation expenses and a portion of lost wages to employees who sustain an injury on the job. SDCCC abides by all applicable state workers' compensation laws and regulations.

If an employee sustains a job-related injury or illness, it is important to notify the supervisor and People & Culture immediately. The supervisor will complete an injury report with input from the employee and return the form to the workers' compensation administrator, who will file the claim with the insurance company. In cases of true medical emergencies, report to the nearest emergency room.

Workers' compensation benefits (paid or unpaid) will run concurrently with any other statutorily-required leave, if applicable, where permitted by state and federal law. In addition, employees will not be paid annual leave for approved absences covered by SDCCC's workers' compensation program, except to supplement the workers' compensation benefits such as when the plan only covers a portion of the employee's salary as allowed by state law.

5. Employee Assistance Program

The Employee Assistance Program (EAP) is a resource designed to provide highly confidential and experienced help for employees in dealing with issues that affect their lives and the quality of their job performance. SDCCC wants employees to be able to maintain a healthy balance of work and family that allows them to enjoy life. The EAP is a confidential counseling and referral service that can help employees successfully deal with life's challenges.

This free, comprehensive counseling service offers employees three face-to-face sessions per incident per six months, and a 24-hour hotline answered by professional, degreed counselors. EAP services also include assistance with legal services, financial support, childcare, eldercare, identity theft, family problems, bereavement, substance abuse, and educational materials.

SDCCC encourages employees to use this valuable service whenever they have such a need. Employees who choose to use these counseling services are assured the information disclosed in their sessions is confidential and not available to SDCCC, nor is SDCCC given any information on who chooses to use the services. For questions or additional information about this program, you may contact People & Culture.

6. Wage Replacement Options for Family and Medical Leave

6.1 State Disability Insurance

Employees are covered by state disability insurance ("SDI") in the State of California. SDI benefits are available to eligible employees for non-work-related accidents or illness. This insurance provides low cost disability protection if an illness or injury occurs, which is not caused by the job, and prevents you from working. You are responsible for filing a claim with the California Employment Development Department ("EDD") if you wish to obtain SDI benefits.

If you also wish to take a leave of absence, you must follow the leave request procedures in the applicable leave of absence policy. The two procedures are independent of one another.

6.2 Paid Family Leave Benefits

Paid family leave (“PFL”) is California’s state-sponsored insurance program within the SDI program and is funded through mandatory employee contributions. It provides eligible California employees with partial wage replacement for up to eight weeks in a 12-month period while absent from work to: (1) care for a seriously ill or injured child, spouse, parent, domestic partner grandparent, grandchild, sibling or parent-in-law; or (2) for bonding with a new child within one year of the birth or placement of the child in connection with adoption or foster care. In accordance with applicable law, an employee may also use annual leave to care for a family member. You are responsible for filing a claim with the California EDD if you wish to obtain PFL benefits.

If you also wish to take a leave of absence, you must follow the leave request procedures in the applicable leave of absence policy. The two procedures are independent of one another.

Leaves of Absence

SDCCC understands that occasionally the need may arise for a leave of absence. SDCCC provides a variety of types of leave, in accordance with federal, state, and local laws and Company policy.

This handbook provides only a brief overview of some of the leaves available to eligible employees. You may be entitled to leaves not highlighted in this brief overview. SDCCC complies with all applicable laws regarding leaves of absences. Please see People & Culture for more information.

Each leave of absence has specific eligibility rules and terms and conditions. You may initiate a leave request by contacting People & Culture. Your request must be submitted in writing. You must also provide any supporting documentation required for the particular type of leave you wish to take. Leaves of absence are approved for specific periods. Employees are responsible for keeping SDCCC informed of their status, including notifying SDCCC of any request to extend the leave before it expires, and of the need for any accommodations upon returning to work. Employees who do not return to work at the end of the specified leave period, and have not obtained an extension of their leave, will be subject to termination of employment.

Please note that employees are protected from retaliation for exercising their rights to leaves of absence available under state and local laws.

1. Pregnancy Disability Leave

SDCCC provides pregnancy disability leaves of absence without pay to employees who are temporarily unable to work due to a disability related to pregnancy, childbirth, or related medical conditions.

Employees should make requests for pregnancy disability leave to their supervisor at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events. A health care provider's statement must be submitted, verifying the need for such leave and its beginning and expected ending dates. Any changes in this information should be promptly reported to SDCCC. Employees returning from pregnancy disability leave must submit a health care provider's return-to-work release.

SDCCC will make a good faith effort to provide reasonable accommodations and/or transfer requests when such a request is medically advisable based on the certification of a health care provider. When an employee's health care provider finds it is medically advisable for an employee to take intermittent leave or leave on a reduced work schedule and such leave is foreseeable based on planned medical treatment because of pregnancy, SDCCC may require the employee to transfer temporarily to an available alternative position. This alternative position will have equivalent rate of pay and benefits and must better accommodate recurring periods of leave than the employee's regular job.

Eligible employees are normally granted unpaid leave for the period of disability, up to a maximum of four months (or 17 1/3 weeks) per pregnancy. An employee's entitlement to pregnancy disability leave runs concurrently with federal Family and Medical Leave Act ("FMLA") entitlements, but is separate and distinct from her entitlement to leave under the California Family Rights Act ("CFRA"), if eligible for CFRA leave.

Employees will be required to use any accrued paid sick time during any unpaid portion of pregnancy disability leave. If an employee is receiving benefit payments pursuant to a disability insurance plan (such as California's State Disability Insurance plan or Paid Family Leave program), the employee and SDCCC may mutually agree to supplement such benefit payments with available paid sick leave.

Benefit accrual, such as annual leave, will be suspended during the approved pregnancy disability leave period and will resume upon return to active employment. Group health benefits will be maintained during the approved pregnancy disability leave as if you were continuously employed. However, you must continue to pay your share of applicable premiums (for yourself and any dependents) during the leave.

So that an employee's return to work can be properly scheduled, an employee on pregnancy disability leave is requested to provide SDCCC with at least one week's advance notice of the date she intends to return to work.

When an approved pregnancy disability leave ends, the employee will be reinstated to the same position, unless the job ceased to exist because of a mass layoff or other legitimate business reasons. An employee has no greater right to reinstatement to the same position or to other benefits and conditions of employment than if she had been continuously employed in this position during the pregnancy disability leave or transfer. If you have any questions regarding pregnancy disability leave, please contact People & Culture.

2. Family & Medical Leave

SDCCC provides eligible employees with Family and Medical Leave Act (“FMLA”) and California Family Rights Act (“CFRA”) leave, which provide eligible employees the opportunity to take unpaid leave for specified purposes. The maximum amount of leave an employee may use under this policy is 12 weeks within a 12-month period (or up to 26 workweeks for Military Caregiver purposes). CFRA will be provided in addition to any entitlement of pregnancy disability leave (“PDL”) due to an employee's own pregnancy-related disability.

To be eligible for FMLA/CFRA leave under this policy, an employee must:

- Have worked at least 12 months for SDCCC in the preceding seven years.
- Have worked at least 1,250 hours for SDCCC over the 12 months preceding the date the leave would commence.

FMLA/CFRA leave may be taken for any the following reasons:

- To bond with a newly born child.
- To bond with a child placed with the employee for adoption or foster care.
- To care for the employee's spouse, registered domestic partner, child (of any age), child of registered domestic partner, parent, parent-in-law, grandparent, grandchild, or sibling with a “serious health condition.”
- The “serious health condition” of the employee.
- To care for a spouse, parent, child or next-of-kin who is a “covered service member” recovering from a serious injury or illness sustained in the line of active military duty or as otherwise permitted by FMLA. This reason for leave is referred to as “Military Caregiver.”
- Because of a “qualifying exigency” (as defined under the FMLA) arising out of the fact that the employee's spouse, child, or parent who is either a member of the Armed Forces, including the National Guard or Reserves, or a retired member of the Regular Armed Forces or retired Reserves, is on active duty (or has been notified of an impending call or order to active duty) in support of a contingency operation (“Military Exigency Leave”).

If leave is taken for a serious health condition, the leave may be taken either in a block, or if medically necessary, on an intermittent or reduced schedule basis. Employees using intermittent leave for planned medical treatments must make a reasonable effort to schedule the treatments around the requirements of the job. In most situations, an employee will continue in their regular job. However, in certain circumstances, at SDCCC's discretion, employees may be temporarily assigned to an alternative position in order to better accommodate the reoccurring periods of leave. Employees will receive equivalent pay and benefits as they would have received in their regular job while in the temporary position.

Child bonding leave must be concluded within 12 months of the child's birth, adoption or foster care placement. Eligible employees may take CFRA leave in at least two-week increments, with shorter increments allowed on two occasions.

Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt SDCCC's operations. Intermittent leave is permitted in intervals of at least one hour.

An employee seeking a leave for one's own serious health condition must provide SDCCC with a medical certification from their health care provider establishing eligibility for the leave, and must provide SDCCC with a release to return to work from the health care provider before returning to work. Appropriate forms may be obtained from People & Culture.

Employees requesting family and medical leave to care for a family member or for Military Caregiver purposes must include a statement that the employee is needed to care for the member and an estimate of the amount of time that such employee is needed to provide care.

Medical certifications must be provided within 15 days of being requested. If the medical certification is not provided within 15 days of the first request, the leave may be delayed or denied.

SDCCC may require, or the employee may choose to use accrued paid leave (such as annual leave) concurrently with some or all of their FMLA/CFRA leave. Employees may also apply for California's Short-term Disability Insurance ("SDI") or Paid Family Leave ("PFL") insurance benefits through the California Employment Development Department ("EDD").

If employees and/or their families participate in SDCCC's group health plan, SDCCC will maintain coverage during FMLA/CFRA leave on the same terms as if an employee had continued to work. If applicable, an employee must make arrangements to pay their share of health plan premiums while on leave. Failure to do so may result in company-sponsored benefits being discontinued. In some instances, SDCCC may recover premiums it paid to maintain health coverage or other benefits for the employee and/or their family.

Use of FMLA/CFRA leave will not result in the loss of any employment benefit that accrued prior to the start of leave under this policy. Employees should consult the applicable plan document for information regarding eligibility, coverage and benefits.

SDCCC will provide eligible employees with a notice that specifies any additional information required as well as the employee's rights and responsibilities. SDCCC will also inform employees if leave will be designated as FMLA/CFRA -protected and, to the extent possible, note the amount of leave counted against the employee's leave entitlement. A notice of guarantee of employment and reinstatement to the same or a comparable position will be provided. If an employee is not eligible for FMLA/CFRA leave, SDCCC will provide a reason for the ineligibility.

Upon returning from FMLA/CFRA leave, an employee will typically be restored to their original position or to a comparable position with equivalent pay, benefits and other employment terms and conditions.

If an employee fails to return to work as scheduled after FMLA/CFRA leave or if an employee exceeds the 12-week leave entitlement, the employee will be subject to SDCCC's other applicable leave of absence, accommodation and attendance policies. This may result in termination if the employee has no other leave available to her or him that applies to the continued absence. Likewise, following the conclusion of FMLA/CFRA leave, SDCCC's obligation to maintain the employee's group health plan benefits ends (subject to any applicable COBRA rights).

3. Medical Leave

SDCCC may grant an unpaid discretionary leave of absence to employees in certain circumstances, for example when an employee is temporarily unable to work due to a mental or physical disability, certified in writing by their health care provider. Approved absences of less than two weeks are not treated as medical leaves of absences but rather as excused absences without pay. Employees granted unpaid medical leave have no right to guaranteed reinstatement. Upon return from a medical leave, employees will be required to provide a return-to-work release signed by their health care provider.

Benefit accrual, such as annual leave and holiday benefits, will be suspended during an unpaid medical leave period and will resume upon return to active employment. Unless otherwise required by law, SDCCC does not continue to pay premiums for health insurance coverage for employees on unpaid medical leave. However, if eligible, you may self-pay the premiums under the provisions of COBRA.

4. Military and Military Spousal Leaves

SDCCC supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for uniformed service should immediately notify People & Culture and their supervisor, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

Upon return from military leave, employees will be granted the same seniority, pay, and benefits as if they had worked continuously. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

In addition, qualified employees are eligible for up to 10 days of unpaid leave when their spouse or registered domestic partner is on leave from military deployment. A qualified employee is one who regularly works more than 20 hours per week and whose spouse or registered domestic partner is a member of the Armed Forces, National Guard, or Reserves and is on leave from deployment during a period of military conflict.

If you are eligible for such leave, please submit a written request for leave to People & Culture within two business days of receiving official notice that your spouse or domestic partner will be on leave from deployment. You will also be required to provide written documentation certifying that your spouse or registered domestic partner will be on leave from deployment.

5. Bereavement Leave

Full-time employees may take up to four days and part-time employees may take up to two days of paid bereavement leave upon the death of a member of the employee's spouse/domestic partner, parent, child, siblings, grandparents, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-children, step-parents, step-siblings, grandchild, or the employee's "significant other" if designated in advance with People & Culture.

SDCCC may require verification of the need for the leave. The employee's supervisor and People & Culture will consider this time off on a case-by-case basis. Payment for bereavement leave is computed at the regular hourly rate to a maximum of eight hours for one day. Time off granted in accordance with this policy shall not be credited as time worked for the purpose of computing overtime.

6. Civic Duty

Employees are permitted to take time off for jury duty or to appear as a witness when subpoenaed. Employees who receive a notice of jury/witness duty must notify their supervisor as soon as possible so that arrangements may be made to cover the absence. In addition, employees must provide a copy of the official jury/witness duty notice to their supervisor. Employees must report for work whenever the court schedule permits.

Full time employees will receive your usual rate of pay for scheduled hours while on jury duty for up to two weeks. Part time employees will be paid their normal rate of pay for scheduled hours while on jury duty for up to two weeks. Otherwise the leave is unpaid. Exempt employees will receive their regular salary unless they do not work any hours during the workweek.

7. Child-Related Activities Leave

If an employee is a parent, stepparent, foster parent, guardian, or grandparent having custody of one or more children, or stands in loco parentis to a child, who is within a licensed child care provider or attends school in grades K through 12, the employee may take off up to 40 hours (unpaid) each calendar year to participate in the following child-related activities: to find, enroll, or re-enroll a child in school or with a licensed child care provider; to participate in activities of the school or licensed child care provider; to address a school or child care provider emergency; or to appear at a school in connection with the suspension or behavioral problems of their child.

Except in a school or child care provider emergency, school participation time off may not exceed eight hours in any calendar month, and the employee must give reasonable notice of absence to their manager prior to taking time off. Employees may also be requested to provide documentation from the school verifying participation in school activities.

8. Leave for Domestic Violence, Sexual Assault, and Stalking Victims

If you are a victim of domestic violence, sexual assault, stalking, or similar crime, you may take unpaid time off to help ensure the health, safety, or welfare of you and/or that of your child. Specifically, you may take such leave for the following reasons:

- To obtain a temporary or permanent restraining order or other court assistance;
- To seek medical attention for injuries caused by domestic violence, sexual assault, stalking, or similar crime;
- To obtain services from a shelter, program, or rape crisis center as a result of domestic violence, sexual assault, stalking, or similar crime;
- To obtain psychological counseling related to an experience of domestic violence, sexual assault, stalking, or similar crime; or
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, stalking, or similar crime, including temporary or permanent relocation.

If you need to take time off for any of the above reasons, you should notify your supervisor in advance, if possible. If your absence is unscheduled, you may be asked to provide documentation, such as a police report, court order, or other evidence that you appeared in court, documentation from a counselor or domestic violence advocate, or a self-attestation form. Although this leave is unpaid, you may use your accrued paid sick leave if you wish to receive compensation for this time off.

SDCCC does not tolerate any acts of discrimination, harassment, or retaliation against employees who are victims of domestic violence, sexual assault, stalking, or similar crimes. If you believe you have been the victim of any such act, please contact your supervisor, People & Culture, or SDCCC President & CEO, as appropriate. SDCCC will maintain the confidentiality of requests for time off due to domestic violence, sexual assault, or stalking to the extent possible and as allowed by law.

9. Crime Victims Leave

If you are the victim—or an immediate family member (i.e., spouse, registered domestic partner, child, step-child, sibling, step-sibling, parent, step-parent, or the child of a registered domestic partner) of the victim—of a violent felony, serious felony (as defined by the California Penal Code), or felonies related to theft or embezzlement, you are permitted to be absent from work to attend judicial proceedings related to the crime. You must provide your supervisor with written notification for each scheduled proceeding, unless advance notice is not possible. This time off is unpaid.

10. Alcohol and Drug Rehabilitation Leave

SDCCC will reasonably accommodate any eligible employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program, provided that the accommodation does not impose an undue hardship on SDCCC. Time off will be unpaid. This policy in no way restricts SDCCC's right to discipline an employee, up to and including termination of employment, for misconduct on the job.

11. Time Off for Voting

SDCCC recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, you will have sufficient time outside working hours to vote. If for any reason you think this won't be the case, contact your supervisor to discuss scheduling accommodations.

12. Time Off for Adult Literacy Programs

SDCCC will make reasonable accommodations for any employee who reveals a literacy problem and requests that the Corporation assist him or her in enrolling in an adult literacy program, unless undue hardship to the Corporation would result. SDCCC will take reasonable steps to safeguard the privacy of any employee who identifies himself or herself as an individual with a literacy problem. An employee who wishes to identify himself or herself as such an individual can contact the People & Culture Department directly.

For more information on leaves, please see the Leaves / Time Off policies or ask People & Culture.

All SDCCC employment policies are available at any time in the **Company Policies** section on the UKG Pro Homepage. Copies of policies may be printed from UKG Pro or are available through People & Culture.

13. Benefits During Leave of Absence

This table summarizes the various leaves of absence, state wage replacement benefits and health insurance benefit eligibility allowed under each type of leave. If an employee exhausts their available protected leave time, their health insurance benefits will cease and they will be provided the option of continuing their coverage under COBRA and paying the corresponding premiums.

Leave of Absence Type	Is Leave Legally Required?	State Wage Replacement Benefits Available (if eligible)?	Health Benefits Continued as if Actively Employed?	How Can Vacation/Sick/Paid Time Off Be Used During Leave?
Pregnancy Disability Leave (PDL) (maximum of 17 1/3 weeks per pregnancy; up to 12 weeks will run concurrently with leave under the Family Medical Leave Act (FMLA))	Yes	State Disability Insurance (SDI) benefits	Yes	May require use of sick leave. ¹ Employees may choose to use sick, vacation or PTO.
FMLA/ California Family Rights Act (CFRA) For employee's own serious health condition (max 12 weeks)	Yes	SDI benefits	Yes	May require use of sick, vacation or PTO ² Employees may choose to use sick, vacation or PTO
FMLA/CFRA To care for a family member with a serious health condition (maximum of 12 weeks)	Yes	Paid Family Leave (PFL) benefits	Yes	May require use of sick, vacation or PTO Employees may choose to use sick, vacation or PTO

Leave of Absence Type	Is Leave Legally Required?	State Wage Replacement Benefits Available?	Must Health Benefits be Continued as if Actively Employed?	How Can Vacation/Sick/Paid Time Off Be Used During Leave?
FMLA/CFRA For qualifying exigencies (maximum of 12 weeks)	Yes	Yes	Yes	May require use of vacation or PTO Employees may choose to use PTO

Use of accrued PTO will be required unless the employee is receiving benefits from a paid disability plan such as SDI, Paid Family Leave (PFL), Workers' Compensation, or supplemental disability insurance. Use of partial PTO pay may apply to supplement the partial wage replacement benefits the employee receives as long as the employee does not receive more than the employee's full wages.

FMLA only To care for an ill or injured servicemember (maximum of 26 weeks)	Yes	PFL benefits, if employee is the child, parent or spouse of the servicemember	Yes	May require use of PTO Employees may choose to use PTO
FMLA/CFRA For bonding with child after birth, adoption or foster care placement. (maximum of 12 weeks)	Yes	PFL benefits	Yes	May require use of PTO Employees may choose to use PTO
Leave as an accommodation under the federal Americans with Disabilities Act (ADA) and/or California's Fair Employment and Housing Act (FEHA)	Yes, unless providing leave would be an undue hardship	SDI Benefits	No	May require use of sick, vacation or PTO Employees may request to use PTO

Absence due to Workers' Compensation Injury	No, but employee may be entitled to leave under FMLA/CFRA or as an accommodation under ADA/FEHA	Workers' Compensation benefits	Yes, but only if the absence qualifies as FMLA/CFRA leave	If FMLA/CFRA, see rules regarding use of PTO during FMLA/CFRA for employee's own serious health condition If not FMLA/CFRA, may require use of PTO
Uniformed Services Employment and Reemployment Rights Act (USERRA) (maximum of 5 years cumulative)	Yes	No	Yes, unless leave exceeds 30 days	May not require use of PTO Employees may request to use PTO

Bereavement Leave	No	No	No	May require use of PTO Employees may request to use PTO
Criminal Judicial Proceedings and Victims' Rights Leave	Yes	No	No	May not require use of PTO Employees may choose to use PTO
Crime or Abuse Victims' Leave (runs concurrently with FMLA/CFRA)	Yes	SDI, if employee has a serious health condition	Yes, but only if the absence qualifies as FMLA/CFRA leave	If FMLA/CFRA, see rules regarding use of PTO during FMLA/CFRA for employee's own serious health condition Employees may choose to use PTO
Jury or Witness Duty Leave	Yes	No	No	Employees may choose to use PTO
School Activities and Child Care Issues Leave	Yes	No	No	May require employees to use PTO
Volunteer Civil Service Leave	Yes	No	No	Employees may choose to use PTO
Voting Leave	Yes	No	No	Employers must provide up to two hours of paid time off to vote

Acknowledgment of Receipt of Employee Handbook

I hereby acknowledge receipt of the Employee Handbook of San Diego Convention Center Corporation. I understand and agree that it is my responsibility to read and comply with the policies in the handbook.

I understand that the handbook and all other written and oral materials provided to me are intended for informational purposes only. Neither it, company practices, nor other communications create an employment contract or term. I understand that the policies and benefits, both in the handbook and those communicated to me in any other fashion, are subject to interpretation, review, removal, and change by management at any time without notice, except as restricted by its collective bargaining agreements.

I further understand that I am an at-will employee, excluding collective bargaining unit employees, and that neither this document nor any other communication shall bind the company to employ me now or hereafter and that my employment may be terminated by me or SDCCC without reason at any time. I understand that no representative of the company has any authority to enter into any agreement for employment for any specified period of time or to assure any other personnel action or to assure any benefits or terms or conditions of employment, or make any agreement contrary to the foregoing.

Employee Name: _____

Signed: _____

Date: _____

Receipt of Harassment Policy

I have read and I understand SDCCC Harassment, Discrimination, and Retaliation Prevention Policy as it is stated in the handbook. I understand that failure to comply with the policy could result in disciplinary action up to and including termination of employment.

Signed: _____

Date: _____