



# **MANAGEMENT POLICIES AND BENEFITS GUIDE**

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## INTRODUCTION

CONGRATULATIONS! Welcome to Harry Caray's Restaurant Group (HCRG)! You have joined a team of outstanding professionals and an organization with a long standing reputation for excellence. We are confident that you will find this to be an exciting work environment that supports your professional development and personal growth. It is our goal to maintain our reputation for excellence and to provide a motivating work environment for our management staff.

This Management Policies and Benefits Guide ("Policy Guide") is a supplement to the HCRG Employee Handbook and contains our company policies, procedures and benefits that apply to managerial positions. It is to be used in conjunction with the HCRG Employee Handbook to answer questions that you may have regarding your employment with HCRG. You will also receive additional information specifically detailing the responsibilities that are unique to your position. Please read this Policy Guide and the other information with which you will be provided carefully so that you will be informed and better prepared to start your training. If you have any questions, your supervisor will be happy to answer them for you.

We hope that you find your new position to be challenging and personally rewarding. Your success will not only benefit the company, but also allow for your growth in the organization. It is our pleasure to welcome you to our team!

Grant DePorter  
CEO

### ABOUT THIS POLICY GUIDE AND THE HCRG EMPLOYEE HANDBOOK

In order to create and maintain the best work environment possible, HCRG has developed these necessary policies and procedures as listed in this Policy Guide as well as those detailed in the HCRG Employee Manual. As part of your management training program you are expected to learn and adhere to all such policies.

**Neither this Policy Guide nor any other company document confers any contractual right; either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will with or without cause and without prior notice by the company, or you may resign for any reason at any time.** No supervisor or other representative of the company (except the president) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time without prior notice. We will try to inform you of any changes as they occur.

Any reference to one gender applies to both genders.

This Policy Guide and the information in it should be treated as confidential. No portion of this Policy Guide should be disclosed to others, except HCRG employees and others affiliated with HCRG whose knowledge of the information is required in the normal course of business.

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## **OUR CORE VALUES**

### **Integrity**

- We act with honesty and integrity.
- We never compromise or bend the truth.
- We accept responsibility for our actions.
- We learn from our mistakes.

### **Alignment and accountability**

- We honor commitments that we have made to each other and to our guests.
- We check and double check to make sure that we are prepared to deliver what we have promised.
- We make and support business decisions through experience and good judgment.
- When in doubt, we always ask, “What would I do if it were my company/money.”

### **We Go Above and Beyond**

- We strive to exceed the expectations of the people we work with and the guests we serve.
- From taking ownership of responsibilities, to remaining committed to a project from start to finish, we go above and beyond to make a positive impact on everything we do.
- If we see something that needs doing, we do it whether or not it’s “our job.”

### **Teamwork**

- Our Harry’s family is supportive of each other’s efforts, loyal to one another, and care for each other both personally and professionally.
- If we have questions, we ask them.
- We do not make assumptions.
- We do not engage in gossip and negativity.

### **Passion**

- We show pride, enthusiasm and dedication in everything that we do.
- We are committed to providing the best possible experience to our guests—including the food we serve, service we provide and environment we create.

## **EMPLOYMENT POLICIES**

### **TRAINING**

Properly trained managers and chefs will ensure continuity of quality food and service to all of our patrons. HCRG provides a comprehensive training program for all new managers and chefs. \All new managers and chefs will participate in a training program designed to educate our management staff in all areas of the restaurant's operations.

From time to time we will conduct or attend outside training sessions to ensure the continuous development of our staff. These sessions are important to keep our managers up to date on new procedures. If you are requested to be at a training session, your presence is mandatory.

During the first ninety days of employment each new manager, chef, or manager-in-training will participate in a complete training program. Following the completion of this ninety day period, a performance evaluation will take place and the manager or chef may become eligible to earn additional pay through our Performance Base Bonus Plan (see Benefits for details).

### **HOURS OF WORK**

All managers and chefs are considered full time, exempt employees and will be scheduled accordingly. Exempt employees are employees who are not required to be paid overtime, in accordance with applicable federal and state wage and hour laws, for work performed beyond forty hours in a workweek. Thus, members of the management staff are not eligible to receive overtime compensation. All attempts will be made to provide a five-day work week, dependent upon volume, management staffing levels, and other extreme circumstances. However, HCRG reserves the right to change any employee's schedule based on business needs.

Please direct any questions regarding your employment classification or exemption status to the human resources department.

### **OUTSIDE EMPLOYMENT**

Managers employed by HCRG may not engage in outside employment, including consulting, without prior written approval from Grant DePorter. Moonlighting, therefore, is prohibited.

## **SCHEDULING AND ATTENDANCE**

### **ATTENDANCE AND PUNCTUALITY**

Managers and chefs are expected to report to work promptly and to begin work at their scheduled time. It is very important to have good attendance and to be punctual because your fellow managers depend upon your presence to successfully operate the restaurant. Managers and chefs should set an example of punctuality for hourly employees.

### **SCHEDULES**

The General Manager will schedule all front-of-the-house management. The executive chef will schedule all kitchen management. Schedules will be posted on Thursday each week for the following week, beginning Monday. Special schedule requests for specific days should be made

known to your supervisor as soon as possible, prior to the schedule posting. Any schedule changes must be approved by your supervisor.

### **ILLNESS AND EMERGENCY PROCEDURES**

If for reasons of illness or emergency you are unable to work a scheduled shift, you must notify your supervisor immediately so that your shift can be covered. When calling in, please keep in mind that the efficient operation of the restaurant is dependent upon your attendance, therefore use your judgment as to whether or not your situation is urgent enough to warrant missed working time. It is also necessary to notify the accounting department immediately of your absence from work (see Benefits for sick day policy). If you are absent and fail to call-in to your manager for one (1) workday, you will be considered to have voluntarily resigned your employment. If you demonstrate a pattern of absenteeism or tardiness, you will be subject to disciplinary action up to and including termination. Excessive absenteeism or tardiness has a harmful effect on our operations and cannot be tolerated.

## **PAY PRACTICES**

### **REIMBURSABLE EXPENSES**

Any out of pocket expenses incurred by management that are directly related to the restaurant's operations are reimbursable. Examples of such expenses are the following: cab fares between restaurants or the corporate office for business purposes, parking fees related to business (not parking at your restaurant), emergency supplies, and any other related expenses.

The procedure for receiving reimbursement for such expenses is to submit a receipt to another manager who will fill out a petty cash receipt itemizing your expenses and attaches the original receipt to it. The manager will then exchange the receipts for the amount specified from the petty cash fund in your restaurant.

The procedure for receiving reimbursement for large or frequent expenses, such as mileage, special equipment, or supplies, is to submit a monthly expense report, signed by your supervisor, to the accounting department along with itemized receipts for your expenses. Such expenses require supervisor approval prior to the purchases being made

## **COMPANY PREMISES AND WORK AREAS**

### **SECURITY PROTOCOLS FOR MANAGEMENT**

All managers and chefs are responsible for the security of the restaurant. The office doors should be kept locked at all times, even while the office is occupied. The safe should also be locked at all times, and should NEVER be kept on day lock.

Upon leaving the restaurant, it is the closing manager's responsibility to check that all doors and windows are closed and locked and all unauthorized people are out of the building. The alarm must be set upon leaving the building.



Whenever a manager's employment with the restaurant is terminated, or at least once per quarter (whichever comes first) the safe combination and alarm code should be changed. It is the General Manager's responsibility to see that this policy is enforced.

If an employee or manager loses his/her point-of-sale card, it should be taken out of the system immediately. If a manager or chef loses his/her key to the restaurant or a storage room, the locks should be changed immediately.

### **KEY POLICY**

Keys will be issued to salaried managers only. Limited keys may be issued to a key employee/hourly manager with the consent of the Director of Operations or CEO. New managers will receive keys after completion of orientation and will sign the HCRG Key Acknowledgment (see appendix). All managers will have a complete set of keys. Keys to memorabilia collections will only be issued to the General Manager and CEO. No key will be duplicated except by approval of the Director of Operations or CEO. The unauthorized duplication of the Company's keys adversely affects the security of persons and property. Violations of this rule are considered serious and grounds for termination. The Company requires all keys to be returned immediately upon separation, termination, or retirement from the Company. Lost or stolen keys must be reported to the Director of Operations and CEO immediately. An incident report will be completed and a copy of the report will be forwarded to the Director of Operations. When a key is lost, the locks will be modified to render the current key inoperative and new keys will be issued to all authorized key holders. Exceptions are only on approval of the Director of Operations or CEO. Loss of keys may result in disciplinary action up to and including termination. The manager will be responsible for any fees incurred to replace the key or change out any locks.

### **MAINTENANCE OF WORK AREAS**

All managers and chefs are responsible for the upkeep and cleanliness of the restaurant and the building where they are employed, both inside and outside. Work areas should always be kept in a sanitary state, according to local health regulations. Any damaged equipment or fixtures should be reported immediately to the manager in charge of repairs and maintenance.

### **EMPLOYEE SAFETY AND ACCIDENT REPORTS**

The Company is responsible for the safety of all employees while they are at work. As representatives of the Company, managers and chefs assume the responsibility of maintaining a safe work environment for all employees. The responsibility includes the proper training on the use of equipment in the restaurant.

If an employee becomes injured while at work, the manager or chef on duty is required to complete an accident report and forward it to the Human Resources department immediately. All bills or hospital documents should be forwarded to the Human Resources department as soon as possible. The employee should be instructed to seek proper medical care immediately.

The management should not make any judgment as to the cause of the injury reported by an

employee, but should only follow the procedure for filling out an accident report and reporting the issue to the Human Resources Department.

### **SANITATION**

All managers and chefs must successfully complete the IL ServSafe® Food Handler Online Course (servsafe.com) within 30 days of employment and every 3 years thereafter. A valid state (and city, if applicable) sanitation certificate must be included in your employee file.

It is very important that all supervisors enforce sanitary procedures in our restaurants. The correct handling and storage of food and the correct cleaning of equipment will greatly decrease the chance of employee and customer illness from foods consumed in our restaurants. It is every manager's and chef's job to make sure the correct procedures are being practiced in their restaurant.

### **PERSONAL PROPERTY**

HCRG is not responsible for the loss or theft of personal property that is brought onto any of our properties. It is advised not to bring any valuables or large amounts of cash on the restaurant premises. Management should keep their belongings in the designated area of the office. Please note employees of HCRG have no expectation of privacy with regard to items brought on the premises of the Company. All employees are subject to the Workplace Searches policy in the Employee Handbook.

### **PARKING**

Depending upon which restaurant you are assigned to, parking may be available. Some properties have employee parking areas, while others are not equipped with parking facilities. Please talk to your supervisor about the designated employee parking area at your restaurant, if any.

## **GENERAL POLICIES**

### **PERSONAL APPEARANCE**

As a supervisor, it is important that you maintain a neat, professional, and clean personal appearance at all times. Your appearance reflects your attitude, as well as that of the restaurant.

Good personal hygiene is to be observed. Appropriate business clothing is to be worn at all times while on duty. Chefs should always be in whites. In our fine dining establishments, male managers should wear a suit, a tie, a starched, pressed dress shirt, and dress shoes and socks and female managers should wear a suit, dress, skirt, or dress pants with a pressed dress shirt, top or sweater. In our casual establishments, slacks, knee length (or longer) skirts and dresses, casual shirts, dress shirts, sweaters, golf-type shirts, and turtlenecks are acceptable. Closed toe shoes are required for all locations.

Inappropriate attire includes: jeans, cargo pants, yoga pants, leggings, shorts, t-shirts, tank tops, midriff tops, halter-tops and sweatshirts.

## **CONDUCT**

Managers and chefs are expected to conduct themselves in a professional and safe manner at all times. Your behavior at work reflects upon both you and the Company. We expect our managers to set an example for hourly employees. Managers and chefs are responsible for abiding by and enforcing the Conduct Policy in the Employee Handbook (see the Managerial Responsibilities Section of this Policy Guide).

## **HOUSE RULES AND DISCIPLINARY ACTION**

It is all management personnel's responsibility to abide by and enforce the rules set forth in the Employee Handbook. You must read and be familiar with these rules. This responsibility includes taking disciplinary action against violators of the rules (see the Managerial Responsibilities Section of this Policy Guide).

As a manager you must also follow the house rules as they apply to your position. Any manager or chef found not following any of our policies or procedures as outlined in this Policy Guide and/or the Employee Handbook will be faced with disciplinary action up to and including termination.

## **DRUG AND ALCOHOL USE**

Managers are responsible for abiding by the Company's Alcohol and Drug Use policy in the Employee Handbook. Pursuant to the Alcohol and Drug Use policy, reporting to work under the influence of alcohol or illegal drugs, drinking on duty or having any involvement with illegal drugs on the premises is a severe offense subject to disciplinary action up to and including termination. No employees, including managers and chefs, are permitted to drink alcohol in the restaurant after their shift or after the restaurant closes. Alcohol consumption is **never** permitted in the restaurant while you are working.

Off duty management personnel may not drink or socialize at the bar in their restaurant at any time (unless they are waiting for a table in the dining room). If managers and chefs choose to drink or socialize at other HCRG restaurants or bars, professionalism is expected at all times. Alcoholic beverages may be consumed if you are dining in one of our restaurants, but you should use good judgment as to the quantity consumed.

## **PERSONAL TELEPHONE CALLS**

Managers and chefs may receive personal telephone calls while on duty, however good judgment should be used when accepting them. Always take calls in the office, out of the view of customers, and at times when the restaurant is not busy. Long distance calls should never be made from the restaurant.

## **GUEST SAFETY AND ALCOHOL AWARENESS**

HCRG cares about the safety of its restaurant's guests. All supervisory personnel are responsible for promoting safety in their restaurant. It is the duty of all service personnel to cut-off persons deemed to be intoxicated. Service staff are instructed to alert a manager if a guest has an accident or if there is an alcohol related problem.

- As a manager you should be aware of the laws and our policies regarding liquor sales and service. We are dedicated to managing a responsible and profitable beverage service. Federal and State laws and our genuine concern for our guests' safety require us to adhere to the following policies:
  - a. Alcoholic beverages will not be served to any guest who appears intoxicated. It is the manager's duty, not the server's or the bartender's duty, to "cut-off" any such individuals.
  - b. As a service to our guests and to the community, we will provide a ride home to any guest who is visibly intoxicated. The manager who is handling the problem should call a cab for the intoxicated person and escort him/her to the cab. No employee of the Company should personally drive any visibly intoxicated guest or any guest to/from any HCRG restaurant.
  - c. The sale of alcoholic beverages to minors is prohibited by law. Any employee caught serving drinks to someone under the age of 21 is subject to disciplinary action, including termination.
  - d. Management is responsible for the education and enforcement of these policies with service personnel.

## **MANAGERIAL RESPONSIBILITIES**

### **EMPLOYEE HIRING PROCEDURES**

All managers and chefs have the responsibility for hiring employees and keeping the staffing levels up to par for their department. It is imperative that the hiring process within all of HCRG be carried out with extreme professionalism, while following all rules and regulations required by law. The following guidelines must be adhered to when screening and interviewing people applying for employment within our company:

- The law requires that we give everyone, regardless of race, creed, sex, national origin, age, color, sexual orientation, religion, gender identity, disability, genetic information, marital status, ancestry, military discharge status, pregnancy, citizenship status, sealed or expunged arrest records not resulting in conviction, status as a covered veteran, or any other characteristic protected in accordance with applicable federal, state and local laws, the opportunity to apply for a position within our organization. There should always be applications available, but under the law managers are not required to interview each person who applies for a position with HCRG.
- All potential employees should be treated with respect and dealt with in a courteous, professional manner. Each applicant may be a customer, and it is very important from a public relations position for us to maintain a positive relationship with all customers.
- Your word is our Company's word. If you tell a potential employee that you will "get back to them," make sure that you do. All interviews that are left with uncertainty should be completed with a follow up phone call, letter, or other type of communication. Don't ever keep an applicant hanging. Make sure they know if they do or do not have a job. This will avoid any confusion in the applicant's mind.

- There will often be referrals within our Company. Generally those people will be introduced or recommended by other employees, managers, investors, or members of the corporate staff of Harry Caray's Restaurant Group (HCRG). It is extremely important that these candidates receive your attention. While it will not always be appropriate to hire a referred candidate, a courteous interview with follow up should always be extended to these individuals. There is obviously a reason why a candidate is allowed to "use" someone in our organization's name. Highlight these applicants and extend some extra attention to them. You should also report back to the referring person as to the result.
- As a general rule, always remember that you are a reflection of the restaurant and of HCRG. Be friendly, attentive, courteous and professional when interviewing prospective candidates. After all, you never know when or how you might run into the applicant again.

### **NEPOTISM, EMPLOYMENT OF RELATIVES AND PERSONAL RELATIONSHIPS**

HCRG wants to ensure that corporate practices do not create situations such as conflict of interest or favoritism. This extends to practices that involve employee hiring, promotion and transfer.

Anyone employed in a managerial or supervisory role needs to heed the fact that personal relationships with employees who report to him or her may be perceived as favoritism, misuse of authority, or potentially, sexual harassment. Confusing this role with friendship or trying to buddy up with employees will cause trouble when you need to set rules and limits. Some managers like to go out for a few drinks with their staff. Then when they have to criticize an employee's work, they have trouble because they can't separate business from personal relationships. Even if no improper conduct occurs, the relationship may cause gossip, hard feelings, dissatisfaction, and distraction among other employees in the workplace. The relationship may appear to other employees as an inappropriate use of position power. It's very difficult to separate work and friendship. This doesn't mean that you can't socialize at all. But, be careful to separate yourself from your staff. If this socializing becomes a distraction in the workplace, corrective action will be taken up to and including termination.

Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other. Close relatives are defined as husband, wife, domestic partner, party to a civil union, father, mother, father-in-law, mother-in-law, grandfather, grandmother, son, son-in-law, daughter, daughter-in-law, uncle, aunt, nephew, niece, brother, sister, brother-in-law, sister-in-law, step relatives, cousins and domestic partner relatives.

If employees begin a dating relationship or become relatives, partners or members of the same household and if one party is in a supervisory position, that supervisory person is required to inform management of the relationship. Management personnel who are romantically involved with each other, including engaged and married couples, may not work in the same restaurant.

Any Management employee involved in a romantic relationship with any employee of HCRG must notify his/her General Manager.

HCRG reserves the right to apply this policy to situations where there is a conflict or the potential for conflict because of the relationship between employees, even if there is no direct-reporting relationship or authority involved.

### **EMPLOYEE TRAINING**

Training is one of our most valuable resources and is ongoing. Good training will produce consistency in both product and service and supports growth for our company. Therefore it is every manager's and chef's responsibility to make sure that all new employees are properly trained.

The manager or chef in charge of the department should set up the orientation date and training schedule for all new employees in his/her department (refer to the Hourly Employee Training Manual for training schedules). A manager or a chef should conduct the orientation. An hourly employee who has been chosen as an in-house trainer will train the new employee on the floor, however it is the manager or chef on duty's responsibility to follow up with the trainer on the progress of the employee and his/her test scores. Hourly employees must receive a 90% or better on all tests to be allowed to work. The manager or chef on duty must also make sure that the trainer is doing a good job at teaching the new employee his/her job.

Trainers are chosen from key hourly employees. It is the management's responsibility to develop trainers.

In order for a manager or chef to insure proper training, they must know the job descriptions and specific procedures for each hourly position. All management personnel are responsible for learning this information (refer to the Hourly Employee Training Manual).

### **DISCIPLINARY ACTION**

Any employee who violates any of our house rules or Company policies, who has substandard work performance, or who acts in a manner that is detrimental to business in any way, is subject to disciplinary action. As a supervisor, it is your responsibility to prepare an Employee Disciplinary Report and to take the appropriate action (i.e. written warning, suspension, termination).

When completing an Employee Disciplinary Report it is important to be thorough and to document all offenses and the action taken. Each report must have the manager's signature, and the employee's signature and statement (if s/he wishes to make one). Suspensions and terminations must also be documented using an Employee Disciplinary Report and must also have the General Manager's approval **prior** to the disciplinary action.

### **UNIONS**

Management may come in contact with employee unions in some HCRG restaurants. If questions or problems relating to union policy and procedures arises, please refer them to Grant DePorter.

### **GUEST COMPLAINTS AND ACCIDENTS**

We are dependent upon our guests; they are not dependent upon us. Our guests are the most important people in our business. It is our wish to have all of our customers 100% satisfied with their dining experience at any of our restaurants. By handling complaints quickly and efficiently we will be able to turn around any bad experience so that the guest will want to return.

It is the manager on duty's responsibility to address all guest complaints. All complaints about food, drink, or service must be handled by a manager, in person, no matter how small it may seem. Only the manager can decide whether to comp or replace a drink or food. Use good judgment. It is more valuable to create a loyal, frequent diner than it is to potentially lose a customer for the future.

If a guest is injured at one of our restaurants, the manager on duty must fill out an accident report immediately. If a guest informs you that they became ill after eating at the restaurant refer them to the General Manager. If the General Manager is not available you should ask them the questions on the illness complaint form and fill it out completely. The General Manager and chef should be notified as soon as possible.

In the event of an accident resulting in damage to a guests clothing or belongings, the manager on duty should offer to pay for the cleaning of the garment. The manager should reference the Dry Cleaning Log for proper payment amount and pay the customer up front for cleaning. The incident should then be recorded in the Log.

### **LABOR CONTROLS AND MANAGEMENT OF EMPLOYEE TIMEKEEPING**

It is every manager's and chef's responsibility to control the labor costs of the restaurant. In accordance with the following policies:

- Send extra employees home early during slow periods.
- Check the Detailed Daily Labor Report each day to be sure that the hours for each employee in your department are correct. Employees should record all hours worked in the timekeeping system.
- Only schedule the number of employees needed, taking projected sales into account.
- Do not over schedule.
- Never schedule overtime. However, in accordance with federal and state wage and hour laws, any non-exempt employee who works overtime on behalf of the Company will be paid for any overtime hours worked.
- Maintain an awareness of labor dollars budgeted and check the Labor Distribution Summary each day to compare actual dollars spent vs. dollars budgeted.
- Check the Overtime Report each day. Try to send employees home early if they are approaching overtime.

Managers and chefs cannot authorize, direct or allow any employee to work "off the clock." Additionally, managers and chefs cannot participate in any tip pooling with employees. Any manager or chef found to be in violation of this policy is subject to immediate termination of employment.

All employees must record all time worked in the timekeeping system. If a manager or chef becomes aware of an employee working "off the clock," the issue must be investigated immediately. Non-exempt employees who perform work "off the clock" may be disciplined for failure to accurately record their hours and follow Company policies but will be compensated for all work performed on behalf of the Company.

### **FINANCIAL ACCOUNTABILITY**

Every manager and chef should be constantly aware of the restaurant sales, customer counts, and labor cost percentage (%). These figures are compiled each day on the weekly sales report. It is very important to know this information in order to make sound operational decisions.

Management personnel are held accountable for all cash that they handle. Managers are responsible for all shortages in the drop and in the safe. Each manager must sign off on the safe count sheet and assume responsibility for the safe count for his/her shift.

Should any safe inconsistencies or shortages result, immediately notify your supervisor and the accounting department.

- Any positive variance in the safe balance needs to be deposited. No additional cash is to be carried over as a petty cash or slush fund. Any discrepancies should be investigated and an email needs to be sent to the Controller and Assistant Controller with a reason for the variance.
- If a bar drawer is over or under it needs to be investigated and the employee in charge of the bar during the shift in question needs to be documented.
- If your nightly drop is under for any reason, the deposit needs to be shorted and the safe needs to balance. Again you must investigate the cause and email Controller and Assistant with the reason for the shortage.
- Money from the safe should never be loaned to any employee or manager. There should be no IOU's in the safe for any reason.
- When counting the safe, bar, or retail drawers please always run the tape from highest denomination to lowest.

### **SCHEDULING EMPLOYEES**

All schedules must be entered in the computer (if applicable) and posted by Thursday for the following week. Each manager is also responsible for the PTD reports in his or her department. The report must be looked over to ensure proper in and outs times and returned to the accounting department no later than Tuesday morning.

### **PURCHASING PROCEDURES**



All items being purchased (food and non-food) must have a purchase order completed by the purchasing agent (chef, beverage manager, office manager, etc.). The purchase order must be filled out completely including all quoted prices. The white copy is distributed to the receiving clerk and the yellow copy should be kept for your records. When the product arrives the receiving clerk should record the received amount under the "Received" column and attach the white copy to the original invoice or packing slip that accompanies the product. When the receiving report is prepared, the white copy should be filled out with all actual prices listed and extended. The completed receiving report with a copy of the P.O. and the invoice is then given to the accounting staff.

### **REFERENCE CHECKS**

All employment reference check inquiries from current or former employees, prospective employers of current or former employees or other organizations should be directed to Human Resources for an official company response. Under no circumstances is any other employee authorized to provide an employment reference for the company.

### **INVENTORY**

A complete food, liquor and retail inventory is to be taken at least monthly, at the end of the period. At times it will be necessary to take mid-month or weekly inventories. All managers and chefs will participate in counting the inventory. The beverage manager is responsible for extending the liquor inventory while the executive chef is responsible for extending the food inventory. Any falsification of numbers will be cause for immediate termination.

## **COMMUNICATIONS**

### **OPEN DOOR POLICY**

In any group of people there can be honest differences of opinion about working conditions, wages, and other employee issues. It is not good for the individual or the Company to have an employee think or feel that something is wrong and that nothing can be done about it.

As a supervisor you will be faced with employees who come to you with questions and problems. It is your job to try to resolve these problems in a fair way. Through our Open Door Policy we state that we will do all that we can to help resolve an employee's work related problem, and we expect our managers and supervisors to follow this policy.

### **BULLETIN BOARDS AND MAILBOXES**

There is a management bulletin board located in the office. This bulletin board will contain schedules, policy changes, and announcements, therefore it is very important to check the board each time you come to work. The employee bulletin board is located in a designated area of the restaurant. Employee schedules and announcements should be posted there.

Each manager and chef should have a mailbox in the office to receive mail, memos, and other personal information.

## **MANAGER MEETINGS**

The General Manager will hold a meeting of all management staff once per week on the same designated day and/or daily before pre-shift. Topics to be covered at this meeting include sales, operations, personnel, training, marketing, P&L statements, special events, repair and maintenance problems, menu specials, customer response and other pertinent information. Each manager and chef should come to the meeting prepared to update the management team on the events that have occurred in his/her department in the past week and those that are scheduled for the next week. Attendance is mandatory for all supervisory personnel.

## **MANAGER'S LOG**

The manager's log is a tool for managers and chefs to use to communicate daily events and problems to each other. **Every manager and chef should read the log when they arrive at work so they know what happened during the previous shift.** At the end of their shift each manager should write any comments or problems that the manager of the next shift should know about. The manager's log should be kept in the office at all times.

## **VOICEMAIL**

All managers are given an extension accompanied by their own voice mailbox. Each manager should check this mailbox daily to retrieve important information. Each manager will be held accountable for messages left in voicemail.

## **EMPLOYEE MEETINGS**

From time to time general employee meetings and departmental employee meetings are scheduled to discuss important current topics. The time and date should be posted on the employee bulletin board at least one week in advance.

## **USE OF EMAIL**

Management employees are responsible for abiding by the Electronic Communication and Internet Use in the Employee Handbook.

Our e-mail system is significant to our business and our relationships with our guests. For reasons of integrity and security, and the protection of important interests, we want to make clear to you that the e-mail system provided for your use is the exclusive property of the Company. Anything generated by the use of the Company's email system is the property of the Company, even when created through the use of a personal password. You should understand that electronic communications may be saved to the computer back-up system and may continue to exist even though you delete them from your own computer.

During working time, the Company's e-mail system is to be used for business purposes and in a professional manner only. Personal use of e-mail should be confined to non-working time, and then only with the permission of a manager or supervisor. When using the Company's e-mail system for any purpose, do not use derogatory, inappropriate and/or non-professional language or communications, including but not limited to profanity, slander, obscenity, sexual harassment, etc. Use of e-mail for an inappropriate purpose or to harass or personally attack other individuals is expressly prohibited. You are not to defame, publish or announce derogatory information to

or about another person at the Company, the Company and/or its guests through the use of the Company's e-mail system. Any employee who violates this policy will be subject to discipline, up to and including termination. Furthermore, if any employee receives an inappropriate e-mail, they must immediately report this to their supervisor and take measures to ensure that it is not forwarded to any other person and that it is not left accessible or in the plain view of any other person.

The Company reserves the right to monitor your e-mail account at any time to make sure that you are complying with this policy, and the Company reserves the right to revoke your access to its e-mail system, or discipline you, with or without notice, at any time, for any violation of this policy. Use of the e-mail system will be deemed to constitute the employee's consent to comply with this policy and recognition that any such messages may be monitored or recorded.

Use of the Company's e-mail system in a manner which is a violation of local, state or federal law will be considered a violation of this policy. Any employee who violates this policy will be subject to discipline, up to and including termination.

### **USE OF INTERNET**

Management employees are responsible for abiding by the Electronic Communication and Internet Use in the Employee Handbook.

Employees accessing a Company computer to use the Internet are representing the Company. Any Internet use or communications through a Company computer must be for professional or business-related reasons (i.e., not for surfing personal social media accounts). Employees are responsible for seeing that the Internet is used in an effective, ethical and lawful manner. The Internet may only be used to conduct official Company business and to gain technical or analytical advice. Users are not allowed to modify any settings established on individual computers (i.e. home page, history of sites visited, copies of pages visited, etc.). This includes downloading any software.

The Internet should not be used for personal gain or advancement of individual views. Use of the Internet must not disrupt the operation of the Company network or other users. It also must not interfere with your work productivity. Harassment of any kind through use of the Internet is also prohibited. No messages with derogatory or inflammatory remarks about an individual or group's race, creed, color, religion, gender, sex, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, ancestry, military discharge status, pregnancy, citizenship status, sealed or expunged arrest records not resulting in conviction, veteran status, , , or any other basis protected by law shall be transmitted.

Internet messages are public communication and are not private. All messages created, sent or retrieved over the Internet through the Company's computers are Company property, and should be considered public information. We reserve the right to access and monitor all messages and files on the Company's computer system as deemed necessary and appropriate.

Members of management (including managers and chefs) should refrain from making negative or derogatory statements about the Company, owners, customers and employees.

Violations of any guidelines listed above may result in disciplinary action up to and including termination.

## **ELECTRONIC COMMUNICATIONS**

Management employees are responsible for abiding by the Electronic Communication and Internet Use in the Employee Handbook.

By logging on to any HCRG provided communication system or network, you are consenting to allow HCRG access to all messages sent, received, or saved. In addition, any passwords, codes, and other access restrictions do not create any expectation of privacy in any HCRG provided system and are the property of HCRG. Be aware that any message can be retrieved, even after being deleted. Electronic communications systems are defined as, but not limited to, email, intranet, internet, fax, and voicemail. Failure to follow any portion of the following can result in disciplinary action, up to and including termination.

- HCRG electronic communication systems are for HCRG business related purposes only.
- No electronic message is to be created, sent, downloaded or saved which may create an intimidating, hostile or offensive work environment or contain material referencing any individual on any basis including race, creed, color, religion, national origin, age, sex, parental or marital status, gender, genetic information, ancestry, sexual orientation, physical or mental disability, veterans status, disability, military discharge status, ancestry, pregnancy, citizenship status, sealed or expunged arrest records not resulting in conviction, or any other basis prohibited by law. HCRG's policy against discrimination, sexual harassment, hostile environment, or violence applies fully to all electronic communication and will not be tolerated.
- The sharing of passwords with unauthorized personnel is prohibited.
- Electronic communications are no different from paper correspondence on the company's letterhead and should be treated with the same level of professionalism.

## **PERSONAL GROWTH**

### **MANAGEMENT TRANSFERS**

As HCRG continues to grow, more opportunities for advancement arise. As a management employee, you may be asked to transfer from one location to another as you are needed in various capacities. Such transfers may be lateral or may be a promotion, and may or may not include a salary increase.

If you are asked to transfer to another restaurant you will not lose any benefits that you currently receive. Seniority within the Company will be preserved. If you are involved in the bonus program at your current restaurant and are transferred to a restaurant that is not eligible for bonus pay, accommodations for compensation will be made on an individual basis.

## **COMPENSATION AND BENEFITS**

Employees may refer to the appropriate plan documents for eligibility procedures and plan provisions concerning benefit programs. Naturally, it is the legal documents that must be followed in the administration of these plans, and these plan documents will govern in the event any discrepancy exists.

### **DISCRETIONARY PERFORMANCE BASED BONUS PLAN *(If applicable)***

This plan is intended to provide additional rewards to employees who run their operation most efficiently and effectively in accordance with HCRG standards, allowing the company to achieve increased profitability through targeted financial goals. The discretionary bonus is based on performance and is not guaranteed.

#### **Eligibility**

Certain salaried, exempt employees may be eligible to participate in the Discretionary Performance Based Bonus Plan. You will be notified in writing upon hire or promotion if you are eligible to participate in the plan. Management trainees are not eligible to participate. Employee must be employed in the position for at least 90 days before becoming eligible to participate in the plan. Only those employees who become eligible after a bonus period has commenced will be paid on a pro-rated basis based on the number of days eligible as a percentage of the bonus period. The length of the bonus period is one quarter.

#### **Entitlement**

If your rate of pay changes during the bonus, the bonus will be calculated on prorated basis. When employees leave the Company, the final bonus or portion of bonus paid is up to the discretion of the supervisor and is based on factors such as proper notice, leaving on good terms, etc.

All qualifying candidates for the Performance Based Bonus Plan should direct any questions regarding the specific structure and objectives of the plan to their supervisor.

### **COMMISSION**

You will be notified upon hire or promotion if you are eligible for commission. If you are eligible for commission, it will begin following a two week training period. Sales commission may be reduced or eliminated solely at the company's discretion. Circumstances that may result in reduction or elimination of commission include:

- Events that are discounted or comped;
- As a result of errors in the planning, follow-up or execution of an event that results in loss of business, loss of client or repeat business and/or in any way has a significant financial impact for the company;
- If the employee separates from the Company, regardless of reason, prior to the receipt of final payment for an event.

Commission reports are due to the Accounting Department no later than 9am the next business day after the period end date. Commissions are paid only after final payment for an event is received. Any delay in submitting reports may result in a delay in commission payment.

### **HOLIDAYS FOR FULL TIME MANAGEMENT EMPLOYEES**

Thanksgiving, Christmas and New Year's are considered holidays for full time management employees. Some of our restaurants are open on these holidays, resulting in bonus days in the following circumstances:

- Work 5 days during the holiday week, including the holiday, receive 2 bonus days
- Work 5 days during the holiday week, no holiday, receive 1 bonus day
- Work 4 days during the holiday week, including holiday, receive 1 bonus day
- Work 4 days during the holiday week, no holiday, receive no bonus day

### **VACATIONS FOR FULL TIME MANAGEMENT EMPLOYEES**

After six-months of continuous employment, full time salaried exempt employees (working an average of 30 hours per week or more) begin to accrue vacation in accordance with the following schedule based on length of continuous service from date of hire:

<b>Length of Service</b>	<b>Vacation Credit Accrued</b>
6 months to 1 year	5 days, accrued at a rate of .385 days per pay period
1-5 years	10 days, accrued at a rate of .385 days per pay period
5 years or greater	15 days, accrued at a rate of .578 days per pay period

“Vacation year” is based upon the employee’s anniversary date of hire. This means that your vacation year begins on the date you started work with our Company and runs until the day before that date in the next calendar year. Maximum vacation leave to be taken at any one time is 5 days. Management, in its sole discretion (and with the approval of the Director of Operations), may allow vacation to be used in increments greater than 5 days for employees who have been continuously employed by the Company for at least 5 years. Earned but unused vacation time may not be carried over from vacation year to vacation year. Pay will not be granted in lieu of vacation time not taken. In the event that vacation time is requested but cannot be accommodated before it expires due to business reasons, the employee may be paid for the accrued time in the discretion of Management and with the approval of the Director of Operations.

Vacation pay is based on the employee’s then current salary. Because salary exempt workers are scheduled to work 50 hours per week, and are paid based on performing a 50 hour work week, vacation pay benefits shall be paid the equivalent of one's weekly salary divided by 50 hours. For example, where one is paid a weekly salary of \$1,000, that employee would receive \$20 for every hour of vacation taken. A vacation day shall be deemed to consist of ten (10) hours per day. Vacation time can be taken in ten (10) hour increments.

All employees must schedule vacation time and obtain supervisor's advance written approval of such time off in a prompt manner, after the vacation time is earned. Typically, at least 30 days' advance notice in writing will be required for a vacation request.

Except as otherwise provided in this policy, vacation time cannot be accumulated or exchanged for pay. Vacation scheduling conflicts will be resolved based upon who submitted the request first. If conflicts cannot be resolved based on this criteria, the tie breaker will be awarded to the request from the employee with the most years/ months of service. In any event, the Company reserves the right to grant or deny any request for vacation time.

You will not accrue vacation during unpaid leaves of absence. If your employment with the Company ends, either voluntarily or involuntarily, you will be paid for any accrued, earned and unused vacation time.

### **SICK DAYS**

Upon completion of the non-exempt management employee's first ninety (90) days of employment as a management employee, s/he is eligible for five (5) paid sick days per calendar year (beginning January 1). These days are prorated during the first year of employment as a management employee. Paid sick leave may be used when an employee or family member is ill or injured, or to receive medical care, treatment, diagnosis or preventive medical care, or victims of domestic violence or a sex offense. Sick days are not personal days or vacation days. Good judgment should be used when taking a sick day as the successful operation of the restaurant is dependent upon management's attendance.

Employees at a Chicago location will be given an additional 20 hours of paid sick leave each year that can be used exclusively for FMLA-eligible purposes.

Unused sick days cannot be rolled over and sick days are not paid out at the time of termination of employment.

### **FUNERAL LEAVE**

In addition to the funeral leave provided for in the Employee Handbook, management employees are entitled to near relative funeral pay. If a near relative dies you are entitled to a one (1) day leave with pay. Near relatives include the following people: Aunts, uncles, nieces, nephews, brothers-in-law, sisters-in-law, spouse's grandparents, and other close relatives.

Employees may be requested to provide documentation related to the funeral to their supervisor in order to collect bereavement/funeral pay.

### **DINING AT OUR RESTAURANTS**

All management employees of Harry Caray's Restaurant Group are entitled to dining discount privileges beginning 90 days after hire. The following policy outlines the privileges for different positions within our organization:

Executive Corporate Staff, General Managers and Executive Chefs

These individuals and up to 3 guests may dine at any of the restaurants managed by Harry Caray's Restaurant Group, and receive a 100% discount which will be applied to all food, liquor, and tax (\$250 maximum). A gratuity equal to at least 20% of the total bill should be left by the employee.

#### Managers, Sous Chefs and Corporate Staff

Once every other month these individuals and up to three guests may dine at any restaurant managed by Harry Caray's Restaurant Group and receive a 100% discount which will be applied to all food, liquor and tax (\$200 maximum). A gratuity equal to at least 20% of the total bill should be left by the employee.

All Eligible Employees:

- Blackout dates and times apply.
- Reservations must be made by in advance by your General Manager or Director of Operations directly with the hosting General Manager.
- Hosting General Manager must provide a copy of the closed out receipt to accounting.
- Take-out orders do not apply.

#### Managers in Training, Part-time Corporate Staff and Hourly Employees

On special occasions these individuals and one guest or up to three members of their immediate family may dine at any of the restaurants managed by HCRG and receive a 50% discount on all food and non-alcoholic beverages purchased. All liquor, tax, and gratuity should be paid at full price. A manager or chef should make a reservation for the employee. Friday and Saturday reservations during prime time should not be made.

Comp privileges **cannot** be used to purchase retail items (i.e. whole or uncooked product, whole bakery items, liquor, beer, wine, and clothing). Discretion should be used when using this benefit. Please keep in mind that comps are a privilege that is not to be abused.

#### **MEALS WHILE WORKING**

All management personnel are entitled to a meal free of charge while they are working. All meals must be rung up and closed out to manager's meals. Good judgment should be used when ordering items from the menu. Waste should be kept to minimum so please don't order more than you can eat. Employees are not allowed to take any uneaten food home. Meals should be eaten during slow periods of operation.

Employees are not permitted to take food (e.g., potato chips), with the exception of coffee, from the kitchen, bar or any other area.

#### **STEWARD SALES**

On special occasions management personnel may purchase whole or uncooked product, whole bakery items, liquor, beer, wine and retail items as a steward sale (actual cost of the product). Comp privileges are not to be used to purchase these items. All steward sales must be paid by cash at the time of purchase. Credit cards will not be accepted.



**MEDICAL, LIFE AND DENTAL INSURANCE**

All management personnel are eligible to receive group medical and dental insurance benefits on the first day of the month following 30 days of employment. Coverage details will be provided during enrollment. Continuation of coverage upon termination of employment is based upon state and federal laws.

# HCRG

## MANAGEMENT EMPLOYEE MANAGEMENT POLICIES AND BENEFITS GUIDE

### ACKNOWLEDGMENT AND RECEIPT

#### RESTAURANT

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I have received a copy of the Harry Caray's Restaurant Group MANAGEMENT POLICIES AND BENEFITS GUIDE and other training materials relevant to my job. I acknowledge receipt of the MANAGEMENT POLICIES AND BENEFITS GUIDE and have read and understand its provisions. I understand that this POLICY GUIDE contains important information on some of Harry Caray's Restaurant Group's general personnel policies, and on my privileges and obligations as an employee of this Company.

I understand that the information in this POLICY GUIDE is intended to familiarize me with general procedures and practices; **this POLICY GUIDE does not constitute and is not part of a contract, and no employee has any contractual rights to the matters set forth in this POLICY GUIDE. I am aware that Harry Caray's Restaurant Group may change, rescind or add to any policies, benefits or practices described in this POLICY GUIDE.**

**I further agree to conform to these policies and procedures of the company, and understand that my employment and compensation can be terminated, with or without cause, and with or without notice at any time, at the option of either the company or myself.** I further understand that no manager, supervisor, or other representative of HCRG has any authority to enter into any agreement contrary to the foregoing other than the President.

In the spirit of mutual respect and cooperation, I have read and fully understand all of the policies explained in the Management Policies and Benefits Guide, the Management Procedures Manual and my specific job description. I agree to accept the responsibility of my job and abide by these policies. I clearly understand that my failure to do so may result in termination.

I understand that, except for employment at-will status, any and all policies and practices may be changed at any time by HCRG and the Company reserves the right to change my hours, wages and working conditions at any time. I recognize HCRG's right to make unilateral changes in the content, interpretation, or application of the POLICY GUIDE anytime HCRG deems appropriate, even if the changes to be implemented have not been communicated, reprinted or substituted in the POLICY GUIDE or elsewhere. I understand that revised information may supersede, modify, or eliminate existing policies. Only the President of HCRG has the ability to adopt any revisions to the policies in this POLICY GUIDE.

**I understand and agree that nothing in the POLICY GUIDE creates, or is intended to create, a promise or representation of continued employment and that employment at HCRG is employment at-will, which may be terminated at the will of either HCRG or me.**

**Furthermore, I acknowledge that this POLICY GUIDE is neither a contract of employment nor a legal document.** I understand and agree that employment and compensation may be terminated with or without cause and with or without notice at any time by HCRG or me.

I have received the POLICY GUIDE, and I understand that it is my responsibility to read and comply with the policies contained in this POLICY GUIDE and any revisions made to it.

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**Employee Signature**

**Date**

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**Print Name**

This is to be maintained in the employee's personnel file.