

# **PENN HARRIS GAMING, L.P. DIVERSITY PLAN**

## **I. DIVERSITY POLICY**

Penn Harris Gaming, L.P.'s ("Penn Harris") Diversity Plan is intended to facilitate equal employment opportunities throughout its workforce and insure equal opportunities in its purchasing and contracting efforts.

- Penn Harris is committed to recruiting, employing, training and advancing people without regard to race, color, national origin, ancestry, sex, sexual orientation, sexual identity and expression, marital status, family status, lifestyle, age, culture, religion, military and veteran status, citizenship, or disability.
- Penn Harris is committed to offer opportunities to vendors, suppliers, contractors and other service providers from throughout Cumberland County and surrounding counties to enhance the participation of such groups in the success of our facility and to insure opportunities and inclusion to minority and women owned businesses.
- Penn Harris will require that its contractors and vendors practice equal opportunity policies when they deal with others who provide goods or services to us.

## **II. EQUAL EMPLOYMENT OPPORTUNITY**

### Policy

Equal treatment of employees on the basis of merit, will consistently maintain Penn Harris' effectiveness in operating its gaming business while further enhancing the economic progress and professional growth of its employees.

Penn Harris' senior management and employees will comply with both the intent and spirit of federal and state legislation, as well as Pennsylvania Gaming Control Board ("Gaming Board") regulations, in providing affirmative action and equal employment opportunity without regard to race, color, sex, national origin, creed, age, ancestry, marital status, nationality, liability for service in the U.S. Armed Forces, disability, perceived disability or status as rehabilitated offenders, except when age or sex are bona fide occupational qualifications or when reasonable accommodation for mental or physical disabilities can not be made due to an undue hardship on the operation of its business or if the disability presents a real and imminent danger to the safety of the individual or others in the workplace.

Penn Harris' management will take reasonable, positive steps to comply with this policy while fulfilling its mission statement which is to provide fun, excitement and entertainment for its customers, to reach its goal to maximize profitability and to accomplish this by relying on a staff of dedicated, satisfied customer-oriented employees to both attract new customers and serve a broad base of repeat customers.

### Procedures

To make certain that employees, prospective employees and others are aware that Penn Harris is an Equal Opportunity Employer, the following steps will be taken:

#### *Internal Dissemination*

1. Penn Harris' EEO policy will be indicated in its Employee Handbook, which will be distributed to all employees.
2. Information concerning the EEO program will be included in new employee orientation training.
3. Affirmative action efforts will be discussed on a periodic basis at executive staff meetings.
4. Supervisory personnel will acquaint their non-supervisory employees with the EEO policy and their individual responsibilities for implementing it.
5. Employment applications will state that Penn Harris is an Equal Opportunity Employer and has an affirmative action program.
6. Job postings will state that Penn Harris is an Equal Opportunity Employer.
7. EEO signage will be posted in the Human Resources office and in other back of the house areas.

#### *External Dissemination*

1. Notify employment agencies and other recruitment sources of Penn Harris' policies for equal employment opportunity and affirmative action and advise them that referrals should include both minority and female candidates.

2. All employment advertisements placed in newspapers or advertising mediums will make reference to Penn Harris as an Equal Opportunity Employer.
3. Notify contractors, subcontractors, vendors and suppliers of Penn Harris' policies for equal employment opportunity and affirmative action by incorporating an equal opportunity clause in all contracts, leases and purchase orders.
4. Notify local minority and female organizations, community-based organizations, secondary schools and colleges of Penn Harris' policies through such means to include but not limited to attending functions, meetings, letters, and telephone contacts.

### **III. DIVERSITY PLAN IMPLEMENTATION**

In order to foster successful inclusion programs for employees and vendors, it is critical to have support from the top down. Accordingly, Penn Harris will establish a Diversity Committee to insure compliance and effectiveness in advancing the Company's diversity initiatives. The Committee acts as a facilitator of change to set agendas, to internally and externally market the Company's goals and objectives.

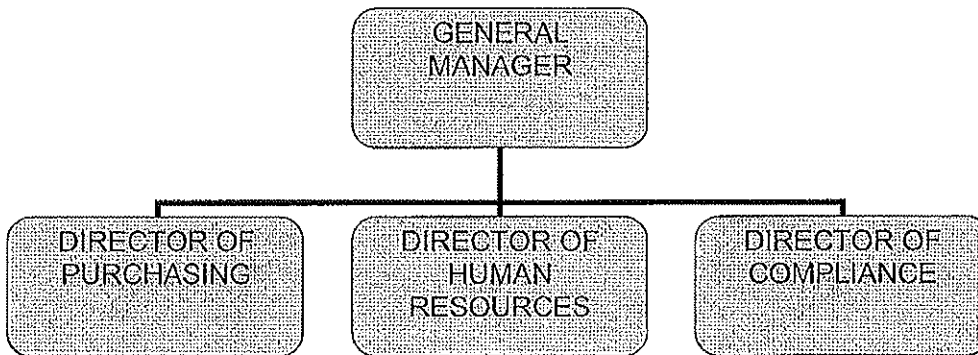
#### **A. Diversity Committee**

The Diversity Committee sets the diversity vision and objectives for Penn Harris. The Committee will meet quarterly, at a minimum, to monitor current initiatives as well as set the direction of future programs. The Committee's duties will include:

- Developing policy statements and diversity programs to effectuate the Diversity Plan.
- Developing and executing internal and external communication.
- Designing a reporting program that will:
  - Measure the effectiveness of the Diversity Plan;
  - Identify areas with opportunities for improvement;
  - Determine the degree to which objectives have been attained;

- Provide all required statistical reports and documentation to the Gaming Board as required.
- Assisting the purchasing department in fulfilling the goal of creating participation opportunities for diverse groups in the supply of goods and services to the facility.
- Assisting the purchasing department in the development of a diverse vendor and supplier data base in order to better ensure participation by minority, women, and disadvantaged business entities.

The following table shows a sample organization chart<sup>1</sup> comprising the Diversity Committee.



Penn Harris' diversity initiatives can be separated into three distinct areas and below is a brief summary of their roles which will be more fully described below.

- **Procurement:** provides opportunities to Women, Minority and Disadvantaged Business Enterprises ("W/M/DBE") firms.
- **Human Resources:** provides opportunity to all minority employees and applicants. Provides training and education programs to promote and develop current and prospective employees. The goal is to have a representative workforce which mirrors the demographics in and around the communities in which Penn Harris is located.
- **Construction:** provides opportunity to minority and women owned contractors and facilitates collaboration between large contractors and subcontractors.

Penn Harris will insure a system is in place that provides for accountability.

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<sup>1</sup> This is a proposed organization chart. If licensed, Penn Harris will work with the Gaming Board staff to insure compliance with all regulations.

## **B. Human Resources**

### Overview

Penn Harris is committed to insuring a diverse workforce through recruiting and training efforts. Penn Harris also understands that diversity is about far more than just race and gender. Diversity includes factors such as personality, family and parental status, educational background, religious beliefs and work experience. Thus, having a truly diverse work environment benefits all employees by nurturing more effective teams, reducing conflict on the job and creating a greater understanding of its customers.

### Recruitment

- A list of job openings will be distributed on a regular basis to recruitment sources with the ability to reach disadvantaged persons, community action agencies and minority sources.
- A list of job openings will be distributed on a regular basis to local colleges, universities, community colleges, trade schools and other organizations that are involved in higher education.
- Penn Harris will also have an informational employment section on its website and list available job openings, and when possible links to community action agencies with which Penn Harris has partnered.
- Available positions at Penn Harris will be posted on its website with a brief description and minimum requirements; so that all qualified internal employees and qualified external applicants will have an opportunity to apply.
- When advertising for employment opportunities Penn Harris will advertise using typical advertising mediums, including advertising in minority publications in Cumberland and surrounding counties, and other publications designed to reach a diverse pool of applicants.
- Human Resources will take appropriate measures to identify and coordinate recruitment efforts with employment sources serving disadvantaged and minority persons.

Penn Harris' employment advertising will target the local areas of diversity to include but not be limited to the following.

- State, county and local employment agencies
- Local minority Chambers of Commerce
- Local Universities, Colleges, Community Colleges and Trade Schools
- Local community centers

### Employment Center and Job Fairs

Penn Harris will have an employment center located near the facility. In addition, our employment staff will conduct job fairs in the local community.

### Training & Development

Penn Harris' commitment to its employees does not stop at the recruitment phase. Once hiring begins, which is expected to occur between 3-4 weeks prior to opening, each employee will be trained to include the following:

- Orientation to the Company and Property
- Specific on-the-job training
- Diversity Awareness Training
- Compulsive and Problem Gaming Awareness

The Diversity Committee will work with the Director of Human Resources and will provide general guidance to the property regarding the specific focus for the property and the related Diversity Plan which will include:

- Review of employment process. Where are you advertising employment opportunities? Are you reaching out to all diverse backgrounds?
- Look at the diversity in your management ranks and benchmark where it is today and look ahead to tomorrow. Ideally, our management diversity should mirror the surrounding markets served by our business. Look at new recruiting resources when positions become open.
- Increased level of participation in diversity memberships at the local level. A representative will be assigned to take part in the luncheons and network (i.e., Chamber of Commerce) and document their attendance at these events.
- Establish a Diversity Bulletin Board displayed in back-of-house corridors to be changed periodically with the above information and include communications on diversity programs. Penn Harris' Diversity Plan will also be posted on the Bulletin Board. Other items to include on the Bulletin Board are:
  - Corporate memos that address all employees
  - Property Diversity Initiatives

Penn Harris is committed to providing a workplace that its employees feel comfortable in and that they are given the opportunity for advancement. This translates to a fun and comfortable atmosphere for its customers. Penn Harris can accomplish this by having a well trained and attentive employee base that is representative of the local communities and markets services by its business. It prides itself on the training and development of each individual team member. By emphasizing the career development of each valued and included team member, Penn Harris ensures the retention of its most important asset ... its employees!

### Complaint Resolution

Penn Harris will encourage fair treatment of all employees and discourages the harassment, intimidation or coercion of any employee. The following process to resolve discrimination and harassment complaints will be as follows:

- If an individual feels that he or she has been a victim of harassment or discrimination in any form by a manager, supervisor, co-worker, customer, client or any other person in connection with their employment, they should notify their supervisor, or the Human Resources Department, with the alleged incident or problem immediately. If the complaint involves the team member's direct supervisor or someone in the team member's direct line of supervision they should contact the Human Resources Department. If an employee is uncomfortable with discussing this matter with the designated manager and/or supervisor or is not satisfied with the action taken by their designated manager and/or supervisor they may select to bypass these individuals, and notify the Human Resource Department immediately.
- Supervisors and managers should take each complaint of harassment/discrimination seriously and should not make judgments or opinions as to the validity of the complaint. Each complaint brought to the attention of a supervisor/manager must be reported to the Human Resources Department immediately.
- All allegations will be investigated by the Human Resources Department in a timely and confidential manner. They will take appropriate corrective action when warranted. Any team member, who is found, as a result of the investigation, to have engaged in harassment or discrimination is in violation of this policy, will be subject to appropriate disciplinary action, up to and including termination of employment. Retaliation in any form against any team member who exercises his or her rights to make a complaint is strictly prohibited, and will itself be cause for appropriate disciplinary action up to and including termination of employment.

## C. Procurement

### Procurement Diversity Fundamentals

- Departments that have delegated purchasing authority (i.e., Marketing, Facilities) will be strongly encouraged (required) to solicit bids from at least one W/M/DBE in every bid process.
- Identify and carve out pieces of large business that smaller W/M/DBE suppliers can handle. Coordinate with Penn Harris Procurement and work with those suppliers to determine opportunities. Document and market these successes.
- Many smaller suppliers typically provide services/products that are not specific to the general purchasing functions. All departments will be accountable to the General Manager to make their best efforts to include W/M/DBE's in their bid process.
- Participation in local diversity organizations.
- Identify staffing resources who will have responsibility for identifying and development of W/M/DBE supplier base.
- Establish mentoring and facilitation programs.
- Increase public awareness by communicating procurement opportunities.
- Partner large national suppliers with local and regional suppliers.

### Procurement Initiatives

- Community Outreach – Establish participation and representation in national and local supplier diversity councils.
  - Identify qualified local and regional suppliers collaborating with state and local organizations and councils.
- Procurement Resources
  - Leverage corporate and current operations staffing resources to implement the Diversity Plan.
  - Internal training and development for diversity programs.



- Quarterly measurement and reporting programs.

### Community Outreach

We embrace diversity not as a *thing* we have to do but as the right thing to do. Our commitment to the community has as its roots in the desire to reach out and partner with the appropriate local, state, national business/community groups and the regulatory agencies to support our mutual diversity initiatives.

Our planned Pennsylvania community membership and resource outlets include:

- Minority Supplier Development Council of PA-NJ-DE
- The Pennsylvania Minority Business Development Council
- Bureau of Minority & Women Business Opportunities
- The Women's Business Development Center of Pennsylvania
- Local Chambers

Penn Harris will collaborate and utilize the resources of existing state agencies of the Commonwealth such as the Pennsylvania Bureau of Minority and Women Business Opportunities ("BMWBO") and the Department of General Services for the purpose of supplier certification verification, small business development and new opportunities.

## **D. Construction**

### Overview

Penn Harris will promote diversity by actively soliciting diverse participation in the bidding and negotiating process, both for contractors and subcontractors, and by fairly and objectively seeking to engage the most qualified contractors, subcontractors, vendors, suppliers and consultants when engaging in construction projects, including new construction, expansion projects and renovation efforts.

### Community Outreach

To ensure the broadest base of community, minority and women involvement in the construction process in Pennsylvania, Penn Harris will work closely with the following organizations to assist in identifying qualified contractors:

- NAMCA (National Association of Minority Contractors Association)
- AIA (American Institute of Architects)
- ASID (American Society of Interior Designers)
- National Minority Supplier Development Council

Penn Harris also plans on working with the following local organizations:

- Minority Supplier Development Council of PA-NJ-DE (MSDC);
- The PA Minority Business Development Council;
- Women's Business Enterprise National Council (WBENC);

If a qualified W/M/DBE does not meet required bonding requirements, yet is otherwise capable, Penn Harris will encourage partnership with larger qualified businesses to enhance visibility and facilitate growth of the smaller business.

To assure the widest variety of qualified Pennsylvania participants Penn Harris will create public awareness of the construction opportunities afforded by this project by publicity notices and advertisements. Advertisements will include a variety of ethnic specific media outlets including print, television and radio as well as reaching out to trade associations as listed previously.

Penn Harris has discussed several aspects of the Diversity Plan through community outreach and the use of technology. A critical component of this Diversity Plan is supplier qualification. One of the biggest challenges the smaller suppliers face is that they do not fully understand Penn Harris' business and its associated needs. Penn Harris is very proactive in this area and reaches out to suppliers to explain our business, culture and plans.

Contractor Performance Standards

Penn Harris encourages the following high performance standards for its contractors and subcontractors:

- Contractors must be licensed in Pennsylvania in order to encourage growth and positive economic impact on state and local economies.
- Designated contractors will be required to employ licensed Pennsylvania subcontractors and both will be required to obtain bids from minority and women based businesses where feasible.
- Require participation by the general contractor in a building and construction trades apprentice programs
  - The stated goal of Penn Harris' construction department is to develop a pool of qualified local residents who are able to meet the admission requirements and demands of trade union apprenticeships programs
- Must be a viable business with the appropriate business and contractor licenses
- Possess reliable and timely distribution

- Must have Internet capabilities
- Be financially stable
- Offer competitive pricing
- Have product or service expertise
- If they are a WMBDE they must be certified as such.

During the bidding and procurement phase Penn Harris will competitively bid or negotiate every project and seek to include qualified local W/M/DBE's in the process where it is feasible. Contractor and construction management contracts will be sought with companies that have the appropriate experience commensurate with the size, scope and complexity of the project.

Reporting is a key tool that enables us to accurately measure the success of Penn Harris' diversity efforts. Contractors will be required to include minority and women owned businesses in the subcontractor bidding and negotiation process whenever available and maintain accurate records detailing the reasons that any W/M/DBE could not be utilized.

#### **E. Reporting**

Measurement programs are critical to the success of any diversity program. Penn Harris has outlined many different aspects of its Diversity Plan and it would be meaningless if it did not have effective, real time tools to measure its effectiveness.

Penn Harris will have quarterly reporting requirements to gauge its effectiveness.

Penn Harris will track the following:

1. Employment data (i.e., job classifications, salary information, recruitment and training);
2. The total number and value of all contracts or transactions awarded for goods and services;
3. The total number and value of all contracts awarded to minority and women's business enterprises;
4. A list of each contract or transaction awarded to minority and women's business enterprises and the actual value of each contract or transaction;
5. The total number and value of all contracts awarded that contain a participation plan;

6. The total number and value of all subcontracts awarded to minority and women's business enterprises under contracts containing a participation plan;
7. A list of each subcontract awarded to minority or women's business enterprises under contracts containing a participation plan and the actual value of each subcontract;
8. A comprehensive description of all efforts made by the regulated entity to monitor and enforce the participation plan;
9. Information on minority and women investment, equity ownership and other ownership or management opportunities initiated or promoted by the regulated entity; and
10. Other information requested in writing by the Gaming Board to ensure compliance with the Act.

**F. Conclusion**

In order for this Diversity Plan to be fully effective Penn Harris needs to work closely with the Gaming Board, other governmental agencies as well as other advocacy groups as it implements this Diversity Plan. Collaboration and partnership - getting all respective parties to take personal ownership and pride - is truly the key to success. Penn Harris encourages an open dialog with all respective parties as it moves forward on this exciting opportunity.

Penn Harris is continually exploring new ideas and concepts as a responsible business in the gaming industry. The Diversity Plan is not a static document and as it continually evolves our programs and practices, Penn Harris is committed to incorporating these enhancements in its proposed operations in the Commonwealth.

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