

To: NVCA, HR Policy Subcommittee

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Re: Human Resources (H.R.) Diversity & Inclusion Policies

**National Venture Capital Association
Sample H.R. Policies for Attracting and Retaining Diverse Talent**

Disclaimer: Please note that information contained in the sample policies included here is provided for informational purposes only; it does not constitute legal advice and should not be treated as such. Organizations referring to these sample policies should consult legal counsel for advice on implementing these policies. Language highlighted in yellow indicates where a firm may add its own preferred language or remove the section, so as to allow greater flexibility and to demonstrate areas where policies can be tailored to a firm's needs or preferences. Of course, a firm should feel free to make any other language changes that are appropriate for their business as well.

Preface:

The sample policies included in this memo focus on fostering diversity and inclusion in venture capital firms. **These policies are not a replacement for and do not constitute a comprehensive set of H.R. policies or an employee handbook; these are policies geared more towards attracting and retaining diverse talent at venture capital firms.** The list is by no means exclusive — these policies are merely a springboard for further ideas and action to advance diversity and inclusion in our industry. We know that no two firms are alike and encourage you to adopt and/or adapt these policies in a way that fits the business reality and culture of your firm.

Some of these example policies will be mandated and legally required depending upon such variables as geography and company size. Others are ideas for possible incorporation to support the ideals of diversity and inclusion. Please check with counsel to ensure a full understanding of the laws applicable to your Firm.

And, finally, we encourage venture capital firms to share these policies with their portfolio companies as appropriate. Most of them can be easily adapted to a traditional company structure. Together, we can make a difference.

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I. Mission Statement

At our Firm we are committed to [building a workplace][creating a work environment] in which everyone is empowered to develop, to contribute, and to succeed. As a Firm, we see diversity and inclusion as the right thing to do. We strive to attract, invest in, and develop the talents of diverse people who reflect the society and community in which we live and do business. Creating an inclusive environment where all employees are engaged and performing at high levels, and where differences in outlook, perspective and background are seen as adding value, is a core element of our strategy. Enhanced business relationships, greater innovation, increased productivity, profitability and enhanced portfolio company relationships are among the benefits of the diverse and inclusive culture we [seek to build][are building] at our fund.

The Firm reserves the right in an individual case or generally, to amend, supplement, rescind or deviate from any provision in these policies, including as to practices and working conditions, at any time, as it deems appropriate, in its sole and absolute discretion.

This policy, as well as other Firm policies or practices, are not an express or implied contract, bargain, or agreement, nor do they confer any contractual rights whatsoever or guarantee your employment with the Firm for any specific duration.

This policy applies to all employees regardless of the date of hire.

II. Non-Discrimination Policy

We are committed to maintaining a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities in all aspects of employment and personnel matters (including, without limitation, recruiting and hiring, job assignment, compensation, opportunities for advancement (including promotion and transfers), evaluation, benefits, training, discipline, and termination), and prohibits discriminatory practices, including harassment. This policy applies to unlawful conduct by supervisors, co-workers, and third parties.

We expect that all relationships among persons in the workplace will be free of unlawful bias, prejudice and harassment. Therefore, it is the Firm's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race; color; religion or creed; sex (with or without sexual conduct); gender (including pregnancy, childbirth, breastfeeding or related medical conditions); age; physical or mental disability; medical condition; military or veteran status; national origin or ancestry; citizenship status; genetic information; [marital and partnership status; sexual orientation; gender identity or expression; credit history; unemployment; status as a victim of domestic violence, stalking or sex offenses; height; weight; arrest or conviction record; affiliation with a spouse or domestic partner falling within the protected categories of this policy;]¹ or any other characteristic protected by law. We also prohibit discrimination 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.

¹ The highlighted characteristics are protected under the laws of some cities and/or states.

III. Recruiting Strategy

We believe in treating each applicant for employment fairly and with dignity, and are committed to actualizing our Mission Statement in our recruiting strategy. The right way to attract, retain, and develop the best talent in our industry and who share our passion is to base our employment decisions on skills and experience, without regard to race; color; religion or creed; sex (with or without sexual conduct); gender (including pregnancy, childbirth, breastfeeding or related medical conditions); age; physical or mental disability; medical condition; military or veteran status; national origin or ancestry; citizenship status; genetic information; [marital and partnership status; sexual orientation; gender identity or expression; credit history; unemployment; status as a victim of domestic violence, stalking or sex offenses; height; weight; arrest or conviction record; affiliation with a spouse or domestic partner falling within the protected categories of this policy]; or any other characteristic protected by federal, state or local law, and we pledge to do so.

[OPTIONAL: Everyone involved in the sourcing and selection work (*e.g.*, recruiters, interviewers, hiring managers) will be trained on our Mission Statement and Recruiting Strategy and must commit to furthering the same.]

[OPTIONAL: When feasible, we will partner with organizations with proven track records in identifying diverse pools of talent to recruit for openings with the Firm.]

[OPTIONAL: We will work to ensure that job listings are strategically placed so as to ensure a diverse applicant pool.]

IV. Childcare Leave Policy²

The Firm offers a number of weeks of paid childcare leave to employees who will be the caregivers of a child following the birth, adoption, or foster care placement of the child. Subject to the Firm's business needs, employees [who have been working for at least # months when the paid childcare leave period would begin] are eligible for up to # weeks of paid leave if they are the child's primary caregiver or up to # weeks if they are the secondary caregiver. The term "child" for the purposes of this policy is meant to include twins, triplets, etc. "Primary caregiver" means having the main responsibility for the full-time care of a child immediately following the birth, adoption, or foster care placement of the child.

In all cases, paid childcare leave must be used within 12 months after the birth, adoption, or foster care placement of the child. If not used, it will be waived. Paid childcare leave is inclusive of any short-term disability absence due to pregnancy or childbirth. [IF APPLICABLE: Further, paid childcare leave does not extend, and runs concurrently with, any period of leave available under the Family Medical Leave Act ("FMLA") or similar state laws.]

² It is possible to distinguish between job classifications (for example, between investing and administrative staff in terms of the benefits to be provided), but you are encouraged to consult with counsel regarding such employee distinctions. In addition, we recommend consulting with counsel on the technicalities of childcare/parental leave requirements, which can vary widely by geographic area and employer size.

During any paid childcare leave period, employees will continue to receive all benefits previously provided, as they exist from time to time, on the same terms and conditions as other employees and will be eligible for salary increases and bonuses, which may in some circumstances be pro-rated in accordance with the law.

In addition to the above-described leave, employees may request additional leave without pay and/or use any accrued vacation time after any period of paid childcare leave, subject to the approval of their supervisors. [IF APPLICABLE: In the case of vacation time use, such time would run concurrently with any available unpaid leave under the FMLA or similar state laws.]

[Firm to provide city- and state-specific childcare policies here as necessary. Details on the San Francisco Paid Parental Leave Policy may be found [here](#), and the New York Paid Family Leave Policy [here](#).]

V. Mentorship Program

A. Informal

We believe in providing opportunities that enable our employees to develop to their fullest potential. We encourage you to seek out informal mentors both within the Firm and the industry, who may give you advice on, and champion opportunities for, your career progression. We also encourage you to take advantage of all available training opportunities related to your work. As you progress in your job, ask your manager or [Human Resources] about other opportunities for growth.

B. Formal

The Firm's mentoring program is designed to provide assistance and guidance to new and current employees as they explore options and plan career growth strategies.

The mentoring process links an experienced person (mentor) with a less experienced person (mentee), to foster the career development and professional growth of the mentee. The mentoring process requires that the mentor and mentee meet regularly, identify specific goals in collaboration with one another, and provide each other with meaningful feedback to ensure that these goals are reached. Participating in a mentoring program requires commitment and hard work. Mentoring should be used in conjunction with training, special assignments, cross training, and other learning opportunities whenever possible.

All current employees may request a mentor at any time and become a mentee. [The mentor cannot work in a supervisory capacity to the mentee.³] Mentors may be selected from a pool of volunteers or at the request of the mentee. Contact [Human Resources] for more information.

³ This provision is optional, as it may not be practical in smaller firms to have mentor/mentee relationships that are separate from supervisory relationships.

VI. Participation in Outside Affinity Groups and Activities

We encourage employee participation in affinity groups and diversity organizations [such as] to share information, recognize achievements, and build community outside of the workplace. The Firm recommends that employees consider organizations that will have a positive impact on their business outreach/development and professional development. At its own discretion, the Firm may provide funding to employees to organize or sponsor development, networking and/or community outreach events or initiatives. Funding may also be available to cover membership dues for affinity groups or diversity organizations, as well as registration fees for approved events. Any request for funds must be made in writing and explain the business impact of the proposed activity or membership.

VII. Flexible Work Arrangements⁴

An employee should understand that no supervisor, manager or other representative of the Firm, other than as expressly authorized by the Firm, has the authority to enter into any agreement or arrangement, written, oral or otherwise, with you, individually or on a collective basis, for employment for a specified period of time or make any promises that are contrary to the Firm's "at-will" policy or other policies. To the extent that an expressly authorized representative of the Firm enters into such an agreement, such agreement shall not be enforceable unless it is in a written document signed by the authorized representative of the Firm.

A. Temporary Part-Time Schedules

Temporary part-time work (*i.e.*, less than 40 hours a week) may be available to employees with a compelling need to work a reduced schedule. For example, employees may be eligible for temporary part-time work when such a schedule will best allow them to transition into the workplace following an extended leave of absence. Employees should carefully consider all the personal issues involved in moving to a part-time schedule, such as a reduction in pay.

In all cases, working hours must be balanced to meet the operating needs of the Firm, based on which it may not be possible to accommodate a request for a reduced schedule.

The following guidelines should be followed in approving part-time schedule requests:

- To be eligible, an employee must maintain a satisfactory job performance.
- The Firm's operational requirements must be met. An employee's supervisors are responsible for assessing business needs to determine if a part-time schedule request furthers an appropriate and efficient use of resources. Accordingly, some positions may

⁴ The following policies are designed to provide eligible employees with flexible work schedules. There are multiple reasons why employees might need to participate in a flexible work arrangement, some of which include caring for (1) a child for whom the employee has assumed parental responsibility, (2) elderly parents, or (3) a family member with a serious health condition (this includes persons to whom the employee is related by blood, legal custody, marriage, or domestic partnerships, as a spouse, domestic partner, child, parent, sibling, grandchild or grandparent). Because eligibility for flexible work arrangements may be made dependent on business necessities and other reasonable business-related reasons, you should consult legal counsel before implementing these policies.

not be eligible for part-time arrangements. Generally, employees should first discuss their requests with their immediate supervisors. Then, requests must be made to, and approved in writing by, [specify individual or department]. To be approved, the written request must specify the proposed daily schedule, including any legally required meal periods. The selected schedule should be fixed for a period of time of at least # months.

- Employees shall be responsible for attending all mandatory meetings, training, and other events, even if such meetings and training are scheduled at an “off” time.
- Hours actually worked must be accurately recorded on each non-exempt employee’s timesheet.

Employees on a temporary part-time schedule will be considered for promotion on an equal basis with full-time employees. In addition, they are entitled to the same benefits they received as full-time employees. However, salary and any salary increases will be pro-rated.

B. Telecommuting

Telecommuting entails a full-time or part-time work-from-home arrangement on a permanent or temporary basis. In general, telecommuting is a privilege that may be granted under appropriate circumstances to high-performing employees whose job responsibilities are suited to such an arrangement. All telecommuting requests will be decided on a case-by-case basis following the guidelines set forth below.

Telecommuting is not intended to permit employees to have time to work at other jobs or to run their own businesses. Employees should not be simultaneously engaging in child care when working from home. Failure to fulfill normal work requirements, both qualitative and quantitative, on account of other employment, may be cause for disciplinary action up to termination of employment.

1. Review and Approval Guidelines

Employees who wish to telecommute must first discuss the request with their immediate supervisor, who must support the request. Once the employee has obtained the supervisor’s approval, he or she must make a written request to [specify individual or department], proposing a specific telecommuting schedule, including the applicable workdays and hours. Ultimately, permission to engage in telecommuting is given at the Firm’s discretion.

Generally, requests to telecommute should be contemplated when:

- Telecommuting is appropriate considering the nature of the employee’s job;
- The employee has demonstrated sustained high performance, and when the supervisor believes that the employee can maintain the expected quantity and quality of work while telecommuting; and
- The employee has a suitable off-site work location.

Generally, requests to telecommute should not be contemplated when:

- The nature of the job requires the employee's physical presence (*e.g.*, the employee must supervise the work of other employees or be present to interact with other employees or third parties);
- The employee's performance evaluations do not show sustained high performance and/or adequate productivity levels;
- The employee has received disciplinary action [within the last 6 months];
- The employee has a demonstrated attendance problem;
- The employee requires close supervision as indicated, for example, by the employee's regular need for guidance on technical matters; or
- The employee has been employed for less than [specify, *e.g.*, 6 months].

2. General Expectations from Telecommuting Employees

All approved telecommuting requests are subject to the following requirements:

- Employees shall be responsible for attending all mandatory on-site department meetings, training, and other events, even if such meetings and training are scheduled to occur during telecommuting hours.
- Employees must maintain a normal workload.
- Employees who are unable to work due to illness or otherwise wish to be relieved of work responsibilities during telecommuting hours must request time off as provided in the [list appropriate policies] of the Firm's Employee Handbook, and report their absence to their supervisor.
- Employees must ensure the safety and security of all of the Firm's property and proprietary information. Firm property such as computers, printers, fax machines and other equipment loaned to an employee is the employee's responsibility while it is not on the Firm's premises. It is the employee's responsibility to make sure that their homeowners/renters insurance covers injury arising out of or relating to business use of the home.

3. Arrangement Duration

All telecommuting arrangements are granted on a trial basis and may be revoked by the Firm at any time for any reason or no reason at all. In addition, an employee may request to stop telecommuting at any time (except in cases in which telecommuting is a requirement of the position). Nevertheless, in making telecommuting arrangements, both the Firm and the employee must be mindful that this policy is designed to provide a consistent and stable working

arrangement, and it should not be used as a constant series of short-term, work-from-home arrangements.

4. Firm Property and Expenses

Equipment and services may be provided and paid for by the Firm. All Firm computers, PDAs, BlackBerry smartphones, iPhones, or other smartphones, email, instant messages, internet access, accounts, voicemail systems, wireless remote access devices and Firm-issued cell phones, shall be referred to collectively as “Firm Provided Technology” and are the Firm’s property and intended for official Firm business. Likewise, any data collected, downloaded and/or created and any communications sent or received using Firm-Provided Technology is the exclusive property of the Firm and may not be copied or transmitted to any outside party or used for any purpose not directly related to the business of the Firm.

In many cases, employees will be expected to provide their own equipment, such as computers and telephone lines, if they wish to telecommute. If equipment (such as computers, printers and software) or services (such as fax lines) are provided to the telecommuting employee, they must be listed with identifying information (such as serial numbers) on the employee’s telecommuting approval document as soon as the employee takes possession of the equipment or service. All such equipment and services are provided on loan by the Firm, to which they must be returned upon termination of the telecommuting arrangement in the same condition in which they were originally provided, minus normal wear and tear. Employees are personally liable for missing or damaged equipment.

Employees are strictly prohibited from using Firm Provided Technology or the following purposes (this is not meant to be an exhaustive list):

- Transmitting, retrieving, downloading, storing messages or images that are discriminatory, defamatory or sexual in content, or otherwise inappropriate in a business environment in violation of the Firm’s policy on equal employment, nondiscrimination and harassment;
- Making threatening or harassing statements to another employee or to a vendor, customer or outside party in violation of the Firm’s policy on equal employment, non-discrimination and harassment; and/or
- Gambling of any kind or visiting adult sites;

Employees may be entitled to reimbursement for their reasonable, necessary business expenses incurred while telecommuting, consistent with the Firm’s expense reimbursement policies. The Firm reserves the right to require its employees on Firm property to inspect Firm-provided devices.⁵ Employees are expected to cooperate in any inspection.

5. Insurance

The Firm assumes no liability for injuries occurring in the employee’s home workspace outside of work hours. Employees should note that some homeowner policies do not automatically

⁵ Firms that have a BYOD policy should consider the privacy implications of this provision with counsel, since BYOD devices are not firm-issued.

cover injuries arising out of, or relating to, the business use of the home. For the employee's protection, employees should have their homeowners/tenants liability policy endorsed to cover bodily injury and property damage to all third parties arising out of, or relating to, the business use of their home. Employees who live in rented property should be aware that their lease may not permit business use of the premises.

C. Flex-time Schedules

Flex-time means a work schedule that includes designated hours during which an employee may, with the approval of the supervisor [and HR manager], elect an alternative time of arrival and departure from work. Working hours must be balanced to meet the operating needs of the Firm and, if possible, an employee's own personal preferences as to work hours. [Within the guidelines provided, it is the policy to give full-time employees the opportunity to request the hours of work that consistently suit their individual needs. However, it may not be possible to accommodate all such requests for alternative schedules.⁶]

The Firm's regular business hours are from [specify, e.g., 8:30 a.m. to 5:00 p.m. Monday through Friday]. It is expected that all Firm functional areas will be staffed as necessary during regular hours. The following guidelines should be followed in approving flex-time requests:

- To be eligible to participate in flex-time, an employee must maintain a satisfactory job performance. Notwithstanding the foregoing, employees in their first [specify timeframe, e.g., 6 months] in a new job or position will generally be expected to work the standard schedule to ensure appropriate training and interaction with others.
- The Firm's operational requirements must be met. Supervisors are responsible for assessing business needs to determine if a flex-time request furthers an appropriate and efficient use of resources. Accordingly, some functional areas may be unable to offer flexible hours for some positions and/or during certain times of the year.
- Generally, employees should first discuss their requests with their immediate supervisors. Then, requests must be made to, and approved in writing by, [specify individual or department]. Flex-time schedules totaling 8 hours of work a day (and including any legally required meal periods), 5 days a week, may be selected during the time [specify, e.g., 6:30 a.m. through 6:30 p.m.]. The selected schedule should be fixed for a period of time of at least # months.
- Employees shall be responsible for attending all mandatory meetings, training, and other events, even if such meetings and training are scheduled at an "off" time.
- Hours actually worked must be accurately recorded on each non-exempt employee's timesheet.

⁶ If your Firm would prefer not to explicitly state this policy, it can revise to state, "The Firm will consider flex-time requests on a case-by-case basis."

[Firm to provide other city- and state-specific flexible working policies as necessary. Details on the San Francisco Family Friendly Workplace Ordinance may be found [here](#).]