

# Employee Handbook Guide and Template

## Employee Handbook Guide

An employee handbook is an important tool you can use to effectively communicate information regarding your company's policies, practices, and employee benefits. A well-written handbook sets forth your expectations for your employees and describes what they can expect from your company.

While the policies outlined in your handbook will reflect your company's own unique culture, it is important to consider federal, state and local laws and regulations that may affect your business when drafting your employee handbook. You may want to create multiple handbooks if you have both exempt and non-exempt employees and/or unionized employees. The employee handbook is the single most important internal document that lays out the policies of your company to each and every one of your employees. As such, it is important to have employment counsel review the handbook before you distribute it.

The following are topics you should consider including in your employee handbook.

## Welcome and Introduction to Your Company

The employee handbook provides an opportunity for you to warmly welcome new employees and set the tone for the company's work environment. You may want to consider adding a sincere note from your President or CEO, along with a mission statement that sets out the company's purpose and view of itself. The goal of this introduction is to provide the employee with a reasonably good understanding of the company's culture and a feel for what it is like to work there.

## General Employment Information

Your employee handbook should include an overview of your business, and general employment policies relating to employment eligibility, job classifications, employee records, job postings, termination and resignation procedures, and union information, if applicable.

## Anti-Discrimination Policies

As an employer, you must comply with the equal employment opportunity laws prohibiting discrimination and harassment, including the Americans with Disabilities Act. Your employee handbook should include a section about these laws, and how your employees are expected to comply. This section is also a good place to set out your sexual harassment policy, any affirmative action policies, and a statement of your compliance with all employment discrimination and related legal requirements.

## Compensation

You should clearly explain to your employees that your company will make necessary deductions for federal and state taxes, as well as voluntary deductions for employee benefits. In addition, you may outline your company's legal obligations regarding overtime pay, pay schedules, performance reviews, salary increases, time keeping, breaks, and bonus compensation.

## Work Schedules

Describe your company's policies regarding work hours and schedules, attendance, punctuality, and reporting absences, along with guidelines for flexible schedules and telecommuting, if offered.

## **Standards of Conduct**

Make sure you document your expectations of how you want employees to conduct themselves in your workplace, from dress code to ethics. In addition, it is important to remind your employees of any legal obligations they may need to comply with on the job (for example, your company's legal obligations to protect customer data).

It is also appropriate in this section to describe your company's progressive disciplinary policy (if any) and other standards related to employee discipline.

## **Safety and Security**

This section should describe your company's policy for creating a safe and secure workplace, including compliance with federal or state Occupational Safety and Health Administration (OSHA) laws that require employees to report all accidents, injuries, potential safety hazards, safety suggestions, and health and safety-related issues to management.

Safety policies should also include your company's policy regarding bad weather and hazardous community conditions. Finally, add your commitment to creating a secure work environment, and your employees' responsibilities for abiding by all physical and information security policies.

## **Computers and Technology**

Computers and communication technology are essential tools for conducting business, but employee misuse can have serious consequences for your company. Therefore, your employee handbook should outline policies for appropriate computer and software use, and steps employees should take to secure electronic information, especially if that includes personal identifiable information you collect from your customers or clients.

## **Employee Benefits**

In your handbook, you should include details on your company's benefit programs and eligibility requirements, including all benefits that may be required by law, such as disability insurance, workers' compensation insurance, and COBRA. Alternatively, you may wish to set out the details in an appendix to the handbook and/or a separate booklet.

The employee benefits section should also outline your plans for health insurance options, retirement, employee assistance, tuition reimbursement, business travel, and any other fringe benefits your business provides to attract and retain employees.

Note that separate legal documents (such as a summary plan description [SPD]) may also be required for employee benefit plans.

## **Leave Policies**

Your company's leave policies should be carefully documented, especially those you are required to provide by law. Family and medical leave, jury duty leave, military leave, and voting leave should all be documented to comply with federal, state, and local laws and regulations. In addition, you should explain your policies for vacation, holiday, bereavement, and sick leave.

## **Essential Provisions**

If your employees are to be employed "at-will," you should clearly state that fact and include a conspicuous disclaimer in the front of the book that specifically states that the handbook is not an employment contract and should not be construed as a contract. You will also want to include in the handbook a written acknowledgement by the employee that he or she has received and read the handbook, to be signed and placed in the employee's personnel file.

If you have any questions as to your legal obligations as an employer, or the rights of your employees, you should consult with a knowledgeable employment law attorney.

# Employee Handbook Template

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This template is provided as a service by the Insurance Board, a non-profit insurance and risk management ministry, as a service to churches and camps of the denominations it serves: The Christian Church (Disciples of Christ), Presbyterian Church (USA), Evangelical Lutheran Church in America, Reformed Church in America and United Church of Christ.

Employment is complicated. It has a lot of “moving parts”. It is regulated by a variety of Federal and State laws covering wages, working hours, taxes, benefits, pensions, disability, discrimination and so on. And from State to State, courts have chimed in on the employment relationship. For churches it is more complicated because of two-tiered employment: lay employees and clergy.

While large employers have the benefit of human resources and legal staff to help manage within the law, working within boundaries can be rough terrain for a small employer. Failure to comply with specific statutes or accepted practices can have financial consequences as well as an impact upon employee morale. Employment matters poorly handled may result in a variety of employment related claims, some insured and some not.

One accepted standard of employment practices is the personnel manual, or alternately named, Employee Handbook. It is a means to provide transparency to the employment relationship, create the ground rules and set expectations both of employer and employee. It prevents creating random precedent and provides boundaries for supervisor and employee behavior. It takes the “personal” out of “personnel”.

The biggest hurdle, especially for a small organization without expertise, is to set these things down in writing. The Insurance Board, which is also a small employer, recognizes this challenge. As part of our risk management ministry, we have developed an Employee Handbook that is based upon one that has stood the test of years in use. The Insurance Board has worked with clergy representing our constituent denominations to incorporate terms that are relevant to clergy employment practices.

Throughout this template, information and comment will be provided in text boxes to assist users in making choices and crafting policy that they can actually implement and live. It is not our intent to dictate policy, but to suggest details you will find constructive. We do not expect any organization will adopt all elements of the template; we understand that different organizations have different needs and different abilities, usually due to size, to implement policies and procedures.

**CAUTION: Editing Required – This template cannot be adopted “as is.” It requires tailoring to your church/camp management and program structure and to your ability to actually fulfill its requirements. NO POLICY/PROCEDURE CAN BE ADOPTED WHICH YOU CANNOT LIVE AND FULFILL COMPLETELY.**

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## 1. MISSION STATEMENT

A mission statement is optional, but is useful to define the major work of the church and its place in the community which provides context for the service and performance expected from employees.

Scriptural references may also be appropriate to set the tone of the employment relationship.

*So then, whenever we have an opportunity, let us work for the good of all, and especially for those of the family of faith. – Galatians 6:10 (NRSV)*

## 2. INTRODUCTION

It is recommended this Handbook be presented to new employees as part of their orientation.

*We always give thanks to God for you and mention you in our prayers, constantly remembering before our God your work of faith and labor of love and steadfastness of hope in our Lord Jesus Christ. – 1 Thessalonians 1:2-3 (NRSV adapted)*

(Your Church) is pleased to welcome you. This Handbook sets forth our personnel policies and methods of work. Please familiarize yourself with these practices as they describe what is expected of you as well as what you can expect.

As the Handbook is intended to be used as a ready reference to (Your Church) personnel policies, updates to the Handbook will be prepared and distributed whenever changes occur.

In the interest of brevity, the Handbook is not exhaustive. If amplification of any policy is needed, or if some concerns are not covered, ask your supervisor or the (Pastor) for clarification.

***The materials contained in this Handbook are presented for informational purposes and can be changed at any time by (Your Church) with or without notice. These materials do not constitute an employment contract, expressed or implied. All employees of (Your Church) are employees-at-will and either the employee or (Your Church) can terminate the employment relationship at any time for any reason not prohibited by law. No representative of (Your Church) has the authority to enter into an agreement with an employee that is contrary to the foregoing***

### 2.1 Employer Responsibilities

(Your Church) will endeavor:

- To employ people in accordance with the applicable Federal and State laws concerning equal employment opportunity
- To provide salaries and employee benefits which are reasonable in light of the job to be performed and overall economic conditions;
- To establish reasonable hours of work;
- To maintain safe and healthful working conditions;
- To welcome constructive suggestions which relate to methods, procedures, working conditions and the nature of the work performed;
- To permit each employee as much discretion and responsibility as is consistent with his or her job assignment and a well-coordinated and effective operation.

### 2.2 Employee Responsibilities

Each employee is expected:

- To give a productive day's work;
- To arrive at his/her workplace and begin work on time.
- To demonstrate a professional, considerate, friendly and constructive attitude toward fellow employees and parishioners.
- To respond to management direction and comply with applicable work rules.

### 3. EQUAL EMPLOYMENT OPPORTUNITY AND NON DISCRIMINATION POLICY AND OBJECTIVES

*Yet, O Lord, you are our Creator, we are the clay, and you are our potter; we are all the work of your hand. – Isaiah 64:8 (NRSV adapted)*

#### 3.1 Equal Employment Opportunity and Non-Discrimination

(Your Church) is an equal opportunity employer as indicated in the following:

(Your Church) affirms its moral and legal commitment to support and implement a program of Equal Employment Opportunity, which in accordance with the law, does not discriminate against any employee or applicant because of religion, race, color, national origin, sex, age, sexual orientation, disability, creed or marital status.

#### 3.2 Equal Employment Opportunity and Non Discrimination Objectives

- To make personnel administration decisions so that the principle of Equal Employment Opportunity is furthered;
- To administer personnel policies and procedures, including those governing compensation, benefits, transfers and training, without regard to religion, race color, national origin, sex, age, sexual orientation, disability, creed or marital status;
- To analyze personnel actions to ensure Equal Employment Opportunity; and
- To maintain a reporting system which allows for evaluating the results of the program.

#### 3.3 Sexual Harassment

*Policies and definition regarding sexual harassment may be included in policies regarding sexual abuse prevention. It is recommended they be included in the Employee Handbook so that it may be signed by all employees including those who may not receive training in abuse prevention.*

(Your Church) is committed to a collegial 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 opportunities and prohibits discriminatory practices, including sexual harassment. Sexual harassment, whether verbal, physical or environmental, whether in the workplace or in church sponsored settings, is unacceptable and will not be tolerated. This policy applies to all clergy and church employees (exempt and non-exempt), whether related to conduct engaged in by fellow church officers, clergy, employees or volunteers, or someone not employed by the church (e.g., outside vendors, consultants, or tenants, etc.)

- Sexual Harassment constitutes discrimination and is illegal under Federal, State and local laws. For purposes of this policy, sexual harassment is defined as it is in the Equal Opportunity Commission Guidelines promulgated in 1980 as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment. (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
- Sexual Harassment may include a range of subtle and not so subtle behaviors. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances; subtle or overt pressure for sexual favors; sexual jokes, flirtations, innuendos, advances or propositions; verbal abuse of a sexual nature; graphic commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling, touching, pinching, assault, coerced sexual acts, or suggestive, insulting, or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures.
- Clergy and supervisors have an affirmative duty to maintain the workplace free of sexual harassment. Clergy and supervisors shall discuss this policy with the staff and assure them that they are not required to endure insulting, or exploitative sexual treatment. Clergy and supervisors shall make every effort to ensure that complaints of sexual harassment are resolved promptly and effectively.
- Any employee who believes that he or she has been the subject of sexual harassment should report the alleged act immediately to the pastor, or his or her supervisor. If the employee believes the pastor or their supervisor is sexually harassing them, they should, instead, report the alleged act to the (Chair,

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- Your Church Employment Committee).
- Employees should use the church's Grievance Procedure as outlined in this Handbook.
- Confidentiality will be maintained to the extent practicable and appropriate under the circumstances to protect the privacy of persons involved.

### **3.4 Other Types of Harassment**

It is the policy of (Your Church) to prohibit harassment of its employees based on such factors as religion, race, color, national origin, sex, age, sexual orientation, disability, creed, or marital status by any person in any form. All charges or complaints should be addressed using the same procedures as those found under sexual harassment.

## **4. EMPLOYMENT STATUS**

*I am confident of this, that the one who began a good work among you will bring it to completion in the day of Jesus Christ. – Philippians 1:6 (NRSV)*

### **4.1 Non Clergy Exempt and Non-Exempt Employees**

For payroll and benefit purposes, (Your Church) recognizes two major categories of non-clergy employees:

- **Exempt Employees:** Employees who are exempt from the provisions of the Federal Fair Labor Standards Act. This category generally applies to management and administrative staff.
- **Non-Exempt Employees:** Employees who are non-exempt from the provisions of the Fair Labor Standards Act. This category generally applies to support staff.

### **4.2 Clergy Employees**

This section applies to the situation in which clergy are designated as “employees” rather than “independent contractors”. Take care to understand employer tax withholding obligations with respect to clergy. Persons who are clergy may have a variety of relationships to the congregation ranging from being (1) simply a member of the congregation and volunteer; or (2) having a formal, but not ecclesial role, such as a business manager or teacher; or (3) being called as a pastor to the congregation. Given these differences, it is important that the employment relationship to the congregation be clearly defined.

- **Pastoral ministry is unique in nature -- It is both an employer-employee relationship and at the same time something more. Clergy roles are governed by covenants of mutual accountability, both interior to the congregation and exterior to the community, denomination and to God. Clergy are generally “called” to a position of ministry rather than “hired.” This nuance signifies a call to mutual service of the clergy and congregation. Adherence to employment policies are expected of all clergy, however, other ecclesial expectations may also be present.**
- **Depending on context, the roles, titles and types of authorization for clergy may vary. This handbook will refer to the term “clergy” as those recognized with formal authorization for ministry on behalf of (your denomination) and engaged in a formal compensated relationship with (your church). This includes settled, interim, supply, designated, senior, associate or other descriptors of the clergy role.**
- For payroll and benefit purposes, clergy are subject to Federal, State and local statutes regarding taxation. Clergy shall be treated as “self-employed” with respect to Social Security withholding and be subject to Self-Employment Tax (SECA). Clergy are exempt from income tax withholding and are individually responsible to pay estimated income taxes unless they have formally entered into a voluntary withholding agreement with the church.
- Employment status of clergy is otherwise defined as “independent contractor” and not subject to the Fair Labor Standards Act.
- This Handbook shall govern employment status and conditions of employment except as otherwise defined in his/her respective Letter of Call and the disciplinary procedures of (Your Denomination).

### **4.3 Temporary Employees**

Temporary employees, as the term is used in this Handbook, are individuals employed for a limited period (either full-time or part-time) or who work on call. They supplement the regular work force when necessitated by periods of peak work load, employee absences or other situations as may be determined. Temporary employees are not entitled to benefits.

#### **4.4 Part-time Employees**

It is important to define the eligibility of part time employees to receive benefits. All such employees must be treated the same according to a definition which may require, for example, scheduled working hours exceeding a certain number weekly. A “normal” workweek below is as defined by the employer, usually 35 to 40 hours.

Part-time employees, as used the term is in this Handbook, are individuals who are regularly scheduled to work less than a normal work week.

#### **4.5 Trial (Probationary) Period**

All new full-time and part-time non-exempt employees shall be placed on trial basis for a period of three months. Upon successful completion of this trial period the employee will be given regular status. In no event shall the change of status to regular be considered as creating a contractual relationship between the employee and (Your Church). Either party may terminate the relationship at any time for any reason not prohibited by law. New employees during the trial period are not eligible for paid absences except holidays.

#### **4.6 Regular Employees**

Similarly situated employees, exempt or non-exempt, full time or part time, must be treated the same. Careful thought must be given to “triggers” for benefits in terms of cost. The text below is provided as an example.

Regular employees, as the term is used in this Handbook, are all full-time and part-time employees not classified as Temporary, except non-exempt employees who have not successfully completed their trial period. Regular employees who work part-time but at least (for example, 30) hours per week are entitled to health/dental benefits, and those who work at least (for example, 20) hours per week are entitled to vacation, sick leave, paid holidays, life insurance, and enrollment in the retirement plan in accordance with **Section XX** of this Handbook. Benefit eligibility for clergy shall be as defined within respective individual Letters of Call.

#### **4.7 Employment -At-Will**

**All employees of (Your Church) are employees-at-will. Nothing in this Employee Handbook is to be construed as a guarantee that any employee's employment will continue for any specified period of time or end under certain conditions. Furthermore, (Your Church) may from time to time, in its sole discretion, amend, supplement, modify or eliminate one or more of the benefits, work rules or policies described in this Handbook without prior notice. Whenever changes are made, updates to the Handbook will be prepared and distributed.**

#### **4.8 Clergy Employment**

While the method of hiring clergy is commonly defined in the church's constitution, the latter document is usually silent upon the means of termination. Implicit is a congregational vote, without a defined process for considering or recommending termination except the discipline procedures of the denomination. Because denominational discipline processes may not lead to or require termination, other congregational procedures, such as this Handbook, have weight in such a process. Some definition of performance expectations and “due process” is recommended.

- same manner and with the same devotion as any employee. Clergy have a fiduciary role and are expected to perform, support and administer the terms of this Handbook and other professional obligations to **the highest standard**. Failure to consistently meet the expectations of (Your Church Governing Board) and to fulfill the leadership principles of (Your Denomination) shall be basis for discipline up to and including termination.
- (Your Church) is a member of the [name Region(CC-DOC), Presbytery(PCUSA), Conference (UCC)]. All persons serving in authorized ministries within this church shall hold standing in the [Region, Presbytery, Conference] as a condition of continued employment.
- Employment is contingent on fulfilling requirements for a background check and credit check (to the extent permitted by law **or the custom of the congregation or denomination**) as may be required by (national setting of the CCDOC or UCC)(Presbytery of XXX).

#### **4.9 Independent Contractors (Consultants)**

The bar is set high for a person to be considered an “independent contractor”. Agencies which regulate

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employment related matters are usually able to find “employee” status with persons such as secretaries, janitors, grass mowers, etc. The risk and expense of litigating whether a person is an independent contractor is not worth the reward of avoiding hiring expense, employment taxes and benefits.

Independent contractors (consultants), as the term is used in this Handbook, are persons engaged to perform distinct functions on an independent basis. Independent contractors are not employees; therefore, they do not receive benefits except travel insurance if specified by contract. Nor do the personnel policies apply to independent contractors except where specifically indicated.

## 5. COMPENSATION

*Let the favor of the Lord our God be upon us, and prosper for us the work of our hands. – Psalm 90:17 (NRSV)*

### 5.1 Wage and Salary Administration

Remuneration shall be paid based upon the nature of the work performed and in accordance with the base salary established by (Your Church). Compensation shall be at the salary agreed upon at the commencement of employment subject to subsequent adjustments.

- Employee Wage and Salary Bases - The Compensation base for all positions will be reviewed periodically. Adjustments may be made based on cost of living data, salary survey data, consideration of salaries paid by other similar employers and other such factors deemed appropriate by (Your Church). Automatic cost of living increases are not given to employees.
- Clergy Salary – Compensation for clergy shall be reviewed not less often than biennially with primary consideration given to the compensation guidelines of the denomination. Methods of compensation other than defined by denominational guidelines may be subject to additional tax obligations which shall be the responsibility of clergy affected. (Your Church) shall strictly comply with Federal, State and local tax withholding obligations. In all cases, loan obligations of clergy to (Your Church) shall be payable in full upon termination of employment. **Eligible severance pay will be reduced up to the amount of the principle of any loan obligation outstanding at the date of termination.**

**WARNING:** While loans to clergy are not uncommon as an inducement to accept a call, and usually applying to the purchase of a home, the tax obligations of clergy upon termination and provisions for repayment to the church are commonly overlooked. The consequences may be severely damaging in several dimensions. Thorough and open consideration of these consequences in advance is strongly recommended.

### 5.2 Work Week, Pay Periods and Overtime

Computation of overtime is governed by Federal law. While work weeks may be scheduled that are different than Monday through Friday, all overtime must be calculated within a scheduled 7 day period; it is not permitted to average hours over multiple weeks to avoid overtime payments.

- Work Week - The normal work week is Monday through Sunday beginning and ending at midnight on Sunday. For non-exempt employees, the scheduled work week is (for example, 40) hours. All work schedules include one-hour mandatory unpaid lunch period. Subject to laws governing overtime, (Your Church) may schedule regular working hours to include Saturday and Sunday as it determines is necessary to serve the congregation and ministry.
- Pay Period - The pay period is semi-monthly, spanning the 1st through the 15th and 16th through the last day of the each month.

Pay periods may be weekly, bi-weekly, semi-monthly or monthly. Specify here the actual pay period.

- Overtime Compensation - Exempt Employees & Clergy – Exempt employees and clergy are not eligible for overtime compensation.
- Overtime - Non-Exempt Employees - Overtime work will be the exception. Non-exempt employees must obtain prior approval for overtime from their supervisor.
  - The employee will be paid at hourly straight-time for work not exceeding 40 hours per work week, and one and one-half (1.5) times his/her regular hourly salary rate for overtime in excess of 40 hours per work week.
  - Compensatory time may be granted in lieu of overtime pay at the employee's discretion.

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Compensatory time for hours exceeding 40 hrs. per work week will be given at the rate of one and one-half (1.5) hours per hour worked over 40 hours. Compensatory time must be taken within the same pay period in which it is earned.

### **5.3 Employee Performance Evaluation (EPE)**

Volumes have been written about employee evaluation methods. No attempt is made here to recommend any particular method of periodic evaluation. Nevertheless, as a matter of personal development for employees and fulfillment of the church's own objectives, a regular system of evaluation is encouraged. In the unfortunate circumstance of a termination and a following claim of wrongful termination, whether an employee has been evaluated and counseled for poor performance becomes an important element of the employer's defense.

The section below assumes the church engages in a regular process of setting personal objectives and measuring individual performance against fulfillment of those objectives.

Each (Your Church) employee, including clergy, will participate in a performance evaluation process at least once a year. The purpose is to provide the opportunity to assess performance and progress against the goals previously mutually agreed upon for the evaluation period, identify areas of concern and plans of action, establish goals for the coming performance evaluation period and develop strategies for their accomplishment. The annual employee performance evaluation becomes a permanent part of the employee's personnel record.

**Periodic midterm** reviews are encouraged.

## **6. EMPLOYMENT**

*The works of God's hands are faithful and just; all of God's precepts are trustworthy. They are established forever and ever, to be performed with faithfulness and uprightness. - Psalm 111:7-8 (NRVS adapted)*

### **6.1 Employing Relatives**

(Your Church) may employ a relative or cohabitant of an employee, including a non-ordained spouse/partner of clergy, provided the individual possesses the usual qualifications for the specific employment. However, those persons will not be given work assignments which require one to direct, review or process the work of the other, or which permits one to have access to the personnel records of the other.

An exception to this policy applies only with respect to clergy who are called together as partners or spouses.

### **6.2 Acquired Immune Deficiency Syndrome (A.I.D.S)**

Job applicants or employees with A.I.D.S., ARC, or HIV antibodies who are otherwise capable of doing the job will not be discriminated against by (Your Church) or any of its employees or dismissed from employment because of the disease.

*THE WEIGHT OF MEDICAL OPINION IS THAT A.I.D.S. (ACQUIRED IMMUNE DEFICIENCY SYNDROME), CANNOT BE TRANSMITTED THROUGH CASUAL CONTACT IN THE WORKPLACE. ACCORDING TO MEDICAL OPINION, AN EMPLOYEE OR JOB APPLICANT WHO IS HIV ANTIBODY POSITIVE OR IS DIAGNOSED AS HAVING A.I.D.S. OR ARC, A.I.D.S RELATED COMPLEX, DOES NOT POSE A RISK OF AIDS INFECTION TO CO-WORKERS THROUGH NORMAL DAY-TO-DAY CONTACT AT THE WORK PLACE.*

### **6.3 Other Serious Diseases**

Job applicants or employees with other non-HIV related diseases who are otherwise capable of doing the job will not be discriminated against by (Your Church) or any of its employees or dismissed from employment because of the disease.

### **6.4 Outside Employment**

Outside employment by employees shall be done on the person's own time, shall not interfere with his/her employment with (Your Church) and shall only be permitted if no conflict of interest is perceived.

Clergy who engage in other professional employment not related to the church, shall do so on church premises and using church resources only with prior approval of (Your Church Governing Board) after consideration of matters of indemnity, safety and security. Insurance maintained by the church shall not apply to other non-related professional activities of clergy.

### **6.5 Termination of Employment**

Employment-at-will: All employees of the (Your Church) are employees-at-will, and either the employee or (Your Church) can terminate the employment relationship at any time, for any reason not prohibited by law. Authorized ministers serving under contract (Letter of Call) are subject to the terms of the Letter of Call, the constitution of (Your Church) and the disciplinary policy and procedures of the (Your Denomination).

Resignation is a voluntary choice, freely made by the employee for whatever reason.

- Exempt employees may resign by giving a written two-week notice or by mutual agreement. Failure to give the required notice may result in forfeiture of benefits.
- Non-exempt employees are expected to give two weeks' notice. Failure to give the required notice may result in forfeiture of benefits.
- An unexcused absence of three consecutive working days is considered job abandonment and a voluntary resignation.

You may feel an obligation to provide for severance pay as a matter of social justice even when it is not required by law. This is an example only of provisions for severance pay. **It is important to understand what may or may not be required in your State and to make budgetary provisions when it is reasonably known that such a benefit may be required.**

Severance Pay – An employee will be eligible for severance pay, if (s)he is terminated after one full year or more of full-time service as a result of:

- Reduction in the workforce;
- Elimination of the position;
- Termination for the convenience of the employer; or
- Dissolution of (Your Church).

An employee will not be eligible for severance pay if (s)he:

- Resigns or voluntarily terminates for any reason;
- Is discharged for misconduct or unsatisfactory job performance;
- Is laid off for a period of one year or less; or
- Retires.

Severance pay shall be an amount equal to one week of regular pay for each full year of credited longevity up to a maximum of twenty (20) weeks. Severance allowances will be paid in installments on regular pay dates during the period the employee is eligible. Severance pay is subject to all applicable federal, state and local taxes. Severance pay will be granted in addition to pay for any earned vacation to which the employee is entitled.

Clergy Severance – Clergy employed under Letter of Call shall not be entitled to severance pay unless specified in the Letter of Call or severance is otherwise **approved by** (Your Church Governing Body) at the time of termination and subject to other approval as may be required by the constitution of (Your Church). **When there are financial means to provide retirement benefits to lay employees, it must be done carefully and having in mind discrimination rules and tax implications. While retirement products are available on the open market, consultation with denominational Pension Boards is recommended to have the benefit of experience with church needs. The language below is an example only and must be tailored to reflect actual retirement plan provisions, if any.**

Retirement – Employees may elect normal retirement on the first day of the month following the month in which they reach age sixty-five. Employees who desire to continue working past sixty-five may do so provided their job performance is satisfactory. Employees may elect retirement after reaching age (XX), subject to the rules, policies, and provisions of the (Pension Boards of Your denomination). (Your Church) shall continue health/dental benefit at the request of the employee who has at least (X) years of service. The employee will make payments in accordance with the coverage and/or stipulations of the (Group Plan of the Pension Boards of Your denomination).

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## 7. EMPLOYEE BENEFITS

*And let us consider how to provoke one another to love and good deeds, not neglecting to meet together, as is the habit of some, but encouraging one another and all the more as you see the Day approaching. -- Hebrews 10:24-25 (NRSV)*

Paid holidays, paid vacation and paid leave are not generally a statutory requirement. Examples are provided below to suggest the detail that is necessary in defining time away from work and contingencies that will be encountered.

Some employers create broadly named "time away from work" benefits which encompass all absences, whether vacation, personal leave or illness in a single "bucket". This may be a means to provide equivalent time off for all employees, regardless of family or health status, and encourage regular attendance.

The structure of holiday, vacation, leave and sick plans will create incentives for employees to act in different ways. Some plans may be more appealing to long term employees. For example, when a finite number of "sick" days are provided within each plan year, some will regard these as an entitlement and always use them every year. If "sick" days can be accumulated year after year, employees may be motivated to save them for a "rainy day". Providing cash value to accumulated sick days at retirement is a further incentive to use them sparingly. Such plans must also be carefully coordinated with short and long term disability plans to avoid providing duplicate benefits or creating a gap in benefits. Finally, accumulated benefits must also be accrued as a future financial liability in accounting statements.

### **7.1 Employee Leaves (Time Away from Work) – General Policies**

Upon return from any leave described below, an employee shall be restored to his/her original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. Except for certain accrued or earned benefits specifically identified in individual leave descriptions below, an employee returning from leave shall be restored to the same benefits as if he/she had continued to work during the entire leave period.

Use of leave time shall not result in the loss of any benefits accrued or earned prior to the leave. Timing of raises will be affected if employee is out more than two months. Use of leave time shall not be counted as a break in service for purposes of vesting or eligibility to participate in benefit programs.

*These provisions must be carefully coordinated with actual welfare benefit plans in place.*

Except as specifically identified in individual leave descriptions below, the employee's medical, dental and other insurance benefits will continue during an approved leave at the employer's expense. While on leave or disability, an employee will not accrue vacation or illness hours.

In the event an employee elects not to return to work upon completion of the approved leave, (s)he will be expected to reimburse (Your Church) for any benefit premiums paid during the leave, unless the employee is prevented from returning to work for reasons beyond his/her control.

Failure to return to work at the expiration of an approved leave without prior authorization shall be considered a voluntary resignation. The effective date of the resignation shall be the date the leave expired.

### **7.2 Holidays**

Certain holidays during the year are observed by giving employees a day off with pay as follows:

- Full-time employees will receive their regular rate of pay.
- Part-time employees will receive holiday pay only for holidays they would normally be scheduled to work, and only for their regularly scheduled number of hours.
- Temporary employees and independent contractors (consultants) are not eligible to receive holiday pay.

A schedule of the holidays to be observed during each calendar year will be published during December of the preceding calendar year. Any holiday which falls on a Saturday or Sunday will be observed on another day.

### 7.3 Vacations

As stated above, paid vacation is not a statutory requirement and commonly may not apply to part time employees. The latitude to carry over vacation described below is provided only as an example and is not a required element.

Persons with substantial control of daily financial transactions should be required to take vacation for at least one full week annually.

Provisions are also made for additional Personal Leave (or Personal Days) in paragraph 7.4 (below), which is subtly different and with restricted entitlement compared to "vacation".

Vacations with pay at the employee's regular rate will be granted to regular employees. The established vacation year for scheduling purposes is the calendar year. Calculation and crediting of earned vacation shall be done semi-monthly.

Vacation time shall be scheduled in consultation with each employee's supervisor(s). Paid holidays that occur during one's vacation will not be charged as vacation.

Earned vacation shall be taken within each year, unless the employee has requested in writing to, and received approval from the supervisor, to defer taking the unused portion of his/her vacation, and it cannot otherwise be scheduled before the end of the calendar year. Employees are permitted to carry over no more than five vacation days, which must be used in the first quarter of the following year.

Upon separation from employment with (Your Church), regular employees shall receive payment for any earned vacation. If at the date of separation from employment an employee has taken more vacation than (s)he has earned to date, (s)he will reimburse (Your Church) for such unearned vacation.

Vacation earned during the trial period shall be credited only upon successful completion of the trial period. Full-time employees become eligible to take vacation after successful completion of the trial period.

Full-time employees earn vacation for each full calendar month of paid employment at the appropriate rate according to the following schedule:

The vacation accrual described here is merely representative. Public and private employers provide widely different vacation benefits, both more limited and more liberal.

Vacation Accrual – Vacation Hours		
Years Worked	Hours per Pay Period	Days per Year
01-02	3.35	10
03-06	5.0	15
07-09	6.67	20
10 & over	7.33	22

Part-time **non-exempt** employees who work at least 20 hours per week (1,080 hours per year) are entitled to vacation on a pro-rata basis. Part-time regular **exempt** employees who work a minimum of twenty hours per week shall earn and be eligible for vacation in proportion to their approved part-time status, e.g., one-half time, three-quarter time, etc. The employee's supervisor shall recommend and the (Your Church's Personnel Committee) shall approve the part-time status.

### 7.4 Personal Leave (Personal Days)

Personal leave is provided for employees to accommodate the rare occasion when it is necessary to be absent from work for reasons other than those covered under other leave policies.

All regular full-time employees are eligible for five (5) paid personal leave days each calendar year. The five (5) days will be available at the beginning of each calendar year, or, if hire date is other than the first day of the calendar year, on a pro-rata basis beginning on hire date and ending on the last day of the calendar year during first year of employment. Personal days are eligible to be taken, subject to the

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limitations below, when available. Part-time regular employees who work at least 20 hours per week are eligible on a pro-rata basis.

Reasons for personal leave include:

- Attendance at weddings and funerals, and funerals for the death of a blood relative, or that of a spouse or partner.
- Personal business which cannot be conducted outside normal working hours;
- Religious observances; or
- Other absences of an emergency nature.
- Two additional days are allowed only for the death of a child or spouse or partner.

An employee should schedule and request approval for personal leave with his/her supervisor one week in advance.

The following limitations apply to Personal Leave:

- Personal leave days are not cumulative, and must be used within the calendar year.
- Personal leave days may only be used after successful completion of the trial period.
- A terminated employee (voluntary or involuntary) is not entitled to receive payment for any unused personal leave days. If the employee has taken more personal days during the calendar year than earned on a pro-rata basis, employee will reimburse (Your Church) for such unearned personal days.
- Personal leave shall not be considered or treated as additional vacation or sick leave days.

### **7.5 Sick Leave**

The sick leave policy outline below is an “accumulation” model which encourages employees to accumulate sick days over a period of years. Accumulated days provide income during the “waiting period” for eligibility to collect Short Term Disability Insurance payments.

Waiting periods also apply to Workers Compensation disability pay (3,5 or 7 days depending on the State), during which sick leave may be used.

Sick Leave is to provide income continuation to employees who are unable to work as a result of illness or injury, or the occasional time when (s)he is needed to care for an ill member of the household. It is the expectation that sick leave will be used when an illness exists and that employees will accumulate sick leave to provide for their needs in the event they or a family member is faced with a serious illness.

All full-time regular employees (upon completion of the trial period when applicable) are eligible for one day of sick leave for each full month worked. Part-time regular employees (upon completion of the trial period when applicable) who work a minimum of twenty hours per week are eligible for sick leave on a pro-rata basis.

The following limitations apply to sick leave:

- Sick leave is cumulative up to 120 days.
- Sixty days may be used for the employee's illness or for the care of an ill child, spouse, domestic partner, parent or member of the household.
- The remaining 60 days are restricted and may only be used for a serious illness of the employee.

### **7.6 Short Term/Long Term Disability**

Language with respect to short and long term disability insurance must be consistent with the terms of the specific plan in force.

Maintenance of a disability insurance plan is strongly recommended; whereas ad hoc benevolence payments to employees may create undesirable precedents and cause disruption in church administration. Benevolence payments to employees are taxable as any other wages.

Employees are covered under Short Term and Long Term Disability after a 30-day waiting period. The waiting period will be paid to the employee if (s)he has sufficient hours of sick leave accrued. If sick leave hours are insufficient, (s)he may use vacation hours earned.

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It is the employee's responsibility to contact (Your Insurance Company) to apply for short term disability **before** the waiting period is completed.

If an employee is not qualified to receive short term disability after the thirty day waiting period, (s)he cannot continue using sick leave. (S)he will be required to return to work full time.

### **7.7 Family and Medical Leave Policy (FMLA)**

Family medical leave is a benefit provided to employees by Federal statute. Taking an extended leave under the provisions of the act cannot be used to terminate employment on an "attendance" pretext. The text below reflects the specific requirements and benefits of the Family Medical Leave Act.

The *Family Medical Leave Act* (FMLA) provides job protection and no loss of accumulated service for time off taken by an employee for one or more of the following:

- To care for seriously ill child, parent, spouse, domestic partner, or family member of the household.
- Upon request, permission may be granted in exceptional cases for FML to care for other seriously ill family members.
- For the birth or placement of a child for adoption or foster care.

FMLA (leave) eligibility, duration and conditions are as follows:

- Leave will be granted for up to 60 working days in a twelve month period, beginning on the date the first request for leave was granted within that twelve month period. Holidays are included in calculating the 60 working days.
- Leave may not exceed 60 working days in any twelve month period.
- Spouses or domestic partners employed by (Your Church) are entitled a combined total of 60 working days of leave for the birth or placement of a child for adoption or foster care, and to care for a parent (but not a parent-in-law) who has a serious health condition.
- **Leave shall be unpaid**, unless the employee has accrued vacation and/or sick leave and/or personal leave days. All such paid leave must be used before unpaid leave will be granted except where the leave is being requested for the birth or placement of a child for adoption or foster care. In such case the employee may request that accrued paid leave be applied, but it is not required.
- When paid leave is used, it applies to the maximum limit of 60 days; it is not added to the 60 day total eligibility.
- When leave is necessary on an intermittent or reduced hours basis, (Your Church) may require the employee to transfer temporarily to an alternative position which better accommodates recurring periods of absence or a part-time schedule, provided that the position has equivalent pay and benefits.
- Credit for service for vacation and sick leave will not accrue during leave.

### **7.8 Military Leave**

The *Uniformed Services Employment and Reemployment Rights Act of 1994* defines rights to re-employment after terms of active duty military service. There is no requirement for paid leave. However, many employers provide for partially paid leave for Reservist two-week annual training, commonly called "summer camp". In the example below, an employee is provided pay net of military pay.

An employee enlisted in the Armed Forces of the United States who performs active or inactive duty with the Armed Forces while a member of a Reserve component, will be granted a Military Leave of Absence for active service. An employee whose period of active service exceeds two weeks will not receive his salary during military leave. A reservist employee who is granted a leave of absence not exceeding two weeks to perform active duty for training will receive his/her regular salary for the period of active duty less the amount of their military pay, provided they have completed one year of service with (Your Church). Such military leave not exceeding two weeks will be granted in addition to the employee's regular vacation, and if the employee elects to take his/her vacation and military leave of absence at the same time, (s)he will receive vacation pay and salary less the amount of military pay received.

### **7.9 Jury Duty Leave**

The Federal Fair Labor Standards Act (FLSA) does not require payment for time not worked, including jury duty. Nevertheless, most employers voluntarily provide pay while on jury duty. A few States require payment of regular wages. This benefit is a matter of discretion based on the needs and finances of the employer and State laws. In this example, an employee is paid net of jury pay. Jury pay is commonly so little that employers may waive reimbursement.

Full time regular employees and part-time regular employees who work a minimum of twenty hours per week who are called to perform jury duty will be granted leave for the required period. He/she will receive his/her regular salary less the amount of jury duty compensation received.

### **7.10 Leaves of Absence – Exceptional**

This is a completely optional provision.

An employee who desires to interrupt her/his employment for a period of time may, at the discretion of (Your Church Personnel Committee), be granted a leave of absence under certain circumstances. Terms of leave shall be negotiated with the (Your Church Personnel Committee). During the leave of absence, employee salary and benefits are not paid and do not accrue. Insurance benefits permitted by the plan may be continued at the employee's expense.

### **7.11 Sabbaticals**

A variety of practices exist on the length, timing and requirements of sabbaticals for clergy. Generally, three months of leave with full pay is granted for every five years of ministerial service subject to other conditions necessary to provide the church continuity of operations and return on the investment. Refer to your denominational practices for specifics on sabbatical policy.

In addition to other time away from work, and subject to the terms of the individual Letter of Call regarding length and frequency, clergy are granted sabbaticals as time away from the pastoral office for rest, spiritual renewal and study. Clergy shall agree prior to commencing sabbatical to continuing in their pastoral role for one year after return from their sabbatical or shall be required to repay their compensation and benefit costs for the period of absence less accrued vacation or severance payable at the date of termination.

### **7.12 Relocation and Moving Expenses**

Providing relocation expense would be unusual for a church with the exception of a pastor coming from far away. Terms are provided here for information and as a benchmark. In a Letter of Call terms for relocation should be made clear in advance to avoid any dissatisfaction later on the part of the called pastor or the church leadership.

When a national search has been conducted, reasonable relocation and moving expenses shall be paid for newly called pastor who is relocating to the (Your City) area a distance greater than 75 miles to accept employment with (Your Church).

Covered expenses may include:

- Packing, shipping, unpacking and insuring of up to 15,000 lbs. of household goods and personal effects.
- Transportation of the employee and his/her family at the time of the move.
- One round trip of up to five (5) days for the purpose of searching for housing accommodations for the employee and spouse or domestic partner.
- Temporary living expenses following the relocation for a period not to exceed 30 days.
- Moving allowance will be paid based on 5% of the sum of annual base salary plus annual housing allowance.
- This allowance can be used by the employee to help defray extraordinary expenses.

### **7.13 Training and Development**

Policy regarding personal professional development may be appropriate either for clergy or others working in a professional capacity such as teaching or counseling, or licensed occupations that require repeated "continuing education" as a condition of license renewal.

Clergy and professional or licensed employees of (Your Church) have primary responsibility for their own career development and each is encouraged to further his/her own growth through training, academic study and personal experience. Discussion of, and planning for, personal and career development or licensing requirements is appropriate as part of one's annual performance evaluation.

Financial and Other Support – With the approval of (Your Church Personnel Committee), financial assistance and time off from work for individual growth experiences which are job related may be available to regular employees who have pre-employment understandings or who have completed one year of service. Financial assistance is contingent upon the employee's satisfactory completion of the program and the availability of funds. Payment includes reasonable tuition and books. (Your Church) will also pay for training that enhances skills that will benefit (Your Church) immediately (e.g., Word, Excel, PowerPoint, etc.).

Memberships - Professional and Civic -- Membership fees, dues and other expenses in professional or ministerial associations, which are relevant to the employment position, may be reimbursed when such membership have been pre-approved by (Your Church Personnel Committee), subject to the availability of funds.

## **8. OTHER STATUTORY BENEFITS**

*The way of the righteous is level; O Just One, you make smooth the path of the righteous. -- Isaiah 26:7 (NRSV)*

### **8.1 Social Security and Medicare**

All employees are required to participate in Social Security under the Federal Insurance Contribution Act (FICA). Contributions will be withheld from the employee's pay checks for the employee's share and (Your Church) will pay the employer's share. These will be forwarded to the Internal Revenue Service (IRS) as prescribed by law.

Those employed as clergy are treated as "self-employed" for FICA purposes and responsible to pay SECA (Self-Employment Tax) for which there is no employer matching contribution. Clergy are also required to pay their own estimated income taxes; income tax is not withheld by (Your Church) unless clergy have formally entered into a voluntary withholding agreement with the church. (See 4.2)

### **8.2 Workers' Compensation**

In some States churches may be exempt from Workers Compensation statutes either as religious institutions are by the number of employees. The decision not to purchase workers compensation insurance is a serious matter which should be undertaken only after understanding legal consequences if an employee is injured. For example, when an employer does not participate in the workers compensation system, statutes may deny the employer common law defenses in a claim, including contributory negligence, assumption of risk and negligence of a fellow servant.

There are varying means to report Workers Compensation claims in each State. In most cases, employers are urged to telephone claims to the insurer or use on-line claims reporting.

States require that notices be posted in the workplace, which inform employees of their rights to workers compensation benefits and the means to report claims directly.

Employees who are injured and/or unable to work as a result of an accident occurring in the course and scope of employment may be entitled to medical and income benefits under Workers' Compensation insurance. All accidents or injuries that occur while performing church business, regardless of the location, must be reported promptly to the employee's supervisor and then to (Your Church Employment Committee). The supervisor will then report the claim to the insurer promptly by telephone or on-line as the insurer specifies. While investigations of cause are required, reporting may not be delayed pending completion of an investigation.

### **8.3 Unemployment Insurance**

Religious institutions are exempt from Federal laws covering unemployment insurance. However, some States provide for voluntary participation, some require participation, and some may require that the employee be notified that they are not covered by unemployment insurance. Churches must understand

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what is permitted or required in the particular State.

(Your Church) is exempt under Federal law from participation in unemployment insurance programs. Therefore, unemployment insurance is not available to employees who may be laid off from employment.

## 9. COMPLAINT AND GRIEVANCE PROCEDURES

*Salt is good but if salt has lost its saltiness, how can you season it? Have salt in yourselves, and be at peace with one another. -- Mark 9:50 (NRSV)*

### 9.1 Objective of Procedures

It is the declared objective of (Your Church) to encourage fair and prompt resolution of employee complaints about work-related situations. Employees will be provided with an opportunity to present their complaints and appeal a supervisor's decision through complaint and grievance procedures.

### 9.2 Definition of a Grievance

A grievance is defined as an employee's expressed feeling of dissatisfaction concerning conditions of employment or treatment by supervisors or other employees. Examples of actions which may be causes of grievances include:

- Application of church policies, practices, and procedures believed to be unfair;
- Treatment considered unfair by an employee, such as coercion, reprisal, harassment or intimidation;
- Alleged discrimination because of religion, race, color, national origin, gender, age, sexual orientation, disability, or marital status.

### 9.3 Rights of Employees

Employees are encouraged to use the Grievance Procedure and will not, under any circumstances, be penalized for doing so. (Your Church) is responsible for ensuring that each grievance is fully processed until the employee is satisfied with the decision or until the employee's right of appeal is exhausted. Employees are encouraged to first address complaints as defined above with their supervisor.

### 9.4 Informal Grievance Discussions

Employees are encouraged to informally and confidentially discuss their concerns with their supervisors. If a satisfactory resolution cannot be reached, an informal appeal may be made to (Your Church Personnel Committee).

### 9.5 Formal Grievance Steps

Whenever an employee believes that (s)he has a work related problem which the informal complaint and grievance procedure did not resolve, or when that process is deemed inappropriate, and the employee wishes to initiate a formal grievance, (s)he may submit a written complaint to his/her supervisor. Should the grievance involve the employee's supervisor, or a Pastor, the matter may be referred directly to (Your Church Personnel Committee).

### 9.6 Confidentiality

Information concerning an employee grievance will be received in strict confidence. Supervisors and other members of the staff will discuss a grievance only with those individuals who are involved in processing the grievance.

## 10. ALCOHOL, DRUGS AND NARCOTICS

*Finally, beloved, whatever is true, whatever is honorable, whatever is just, whatever is pure, whatever is pleasing, whatever is commendable, if there is any excellence and if there is anything worthy of praise, think about these things. -- Philippians 4:8 (NRSV)*

The use, sale or dispensing of alcohol, illegal drugs and narcotics (controlled dangerous substances) at church offices is strictly prohibited. The only exception shall be the use of wine in communion services and other alcoholic beverages at approved social events for which advance permission has included service of legal beverages.

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An employee reporting to work under the influence of drugs, including alcohol, to a degree that his/her performance is impaired, will not be permitted to enter the premises. If an employee is discovered under the influence while on the job, (s)he will be required to leave the premises and will be escorted home by another employee as approved by a supervisor, or sent by a taxi.

An employee bringing illegal drugs or narcotics to the workplace, and using them on premises will be subject to disciplinary action. These do not include over-the-counter drugs and prescription drugs. Employees who have been prescribed narcotic or similar medications which impair judgment or physical performance shall have written clearance from their attending physician to attend work.

Supervisors who observe unusual behavior patterns on the part of their employees which may be the result of drug use, shall request the employee to have a medical examination performed at the expense of (Your Church).

An employee who is medically diagnosed to be a substance user or abuser requiring treatment may be granted a leave of absence subject to the leave provisions of (Your Church) to undertake rehabilitation treatment. The employee may not be permitted to return to work until a release is presented to (Your Church Personnel Committee) certifying that (s)he is rehabilitated.

## **11. DISCIPLINARY PROCEDURES**

*And you have forgotten the exhortation that addresses you as children- "my child, do not regard lightly the discipline of the Lord, or lose heart when you are punished by him; for the Lord disciplines those whom he loves, and chastises every child who he accepts." --Hebrews 12:5-6 (NRSV)*

### **11.1 Progressive Discipline**

Disciplinary action at several levels, including oral and written warnings, improvement plans and disciplinary probation will normally be employed to achieve proper behavior or performance. The frequency and severity of misconduct will determine the level of disciplinary action to be applied up to and including suspension and termination. Behavior subject to discipline may include by way of example, but is not limited to, absenteeism, tardiness, personal use of church assets, insubordination, and rude or unprofessional behavior.

### **11.2 Immediate Dismissal**

Regardless of the terms of 11.1, above, any employee who is involved in serious misconduct in the judgment of (Your Church Personnel Committee) is subject to immediate dismissal.

### **11.3 Recordkeeping**

Supervisors shall maintain records of incidents and counseling of employees under their direction. When discipline rises to the level of a written warning or improvement plan, a record shall be entered in the personnel file and a copy shall be provided to the employee.

### **11.4 Tardiness policy**

Repeat incidents of tardiness will be handled as follows:

- Two unexcused late arrivals will result in a verbal warning from your supervisor.
- A total of four unexcused late arrivals will incur a written warning
- A total of six, seven and eight unexcused late arrivals will result in probation (the employee will be sent home with loss of pay for the day).
- The ninth unexcused incident will be cause for immediate termination.

### **11.5 Employee Appeal**

An employee, non-exempt or exempt, who believes he/she has been too severely or improperly disciplined can appeal the decision by using the grievance procedure.

### **11.6 Discipline of Clergy**

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Subject to the Constitution/By-Laws of (Your Church), disciplinary procedures of (Your Denomination) and the individual Letter of Call (if any), procedures above apply to authorized clergy employed by (Your Church) in any capacity.

## 12. GENERAL INFORMATION

*We always give thanks to God for you and mention you in our prayers, constantly remembering before our God your work of faith and labor of love and steadfastness of hope in our Lord Jesus Christ. – 1 Thessalonians 1:2-3 (NRSV adapted)*

### 12.1 Open Door Policy

(Your Church) encourages communication among employees and especially between employees and supervisors.

### 12.2 Personnel Records

There should be only one employment file for each employee. Supervisors should not maintain separate or duplicate files. Notes about counseling and discipline should be placed in the individual file and nowhere else. A high standard for physical security and confidentiality applies for personnel files to assure identity security and privacy.

(Your Church) maintains a record for each employee which is directly related to employment. Each file shall contain all such information as is needed by (Your Church) or is required by Federal, State or local laws. With a request in advance, an employee may review his/her personnel file.

### 12.3 Verification of Employment Eligibility

In compliance with Federal law, (Your Church) verifies that every new employee is either a U.S. citizen or authorized to be employed in the U.S. All employees are required to provide document(s) necessary for verifying employment eligibility.

### 12.4 Employment of Minors

The Federal government does not require work permits or proof-of-age certificates for a minor to be employed. Many States, however, do require them for workers of certain ages. In addition to State labor departments, school guidance counselors might know if permits or proof-of-age certificates are required in that particular State. The U.S. Department of Labor will issue age certificates if the minor employee's State does not issue them, or if the minor is requested by his or her employer to provide one. However, the vast majority of age certificates are issued by States. This example presumes that work permits are required.

When minors are hired for temporary and part-time positions, a valid work permit shall be obtained in advance of employment for all new hires under age eighteen. A valid work permit will be kept in the individual's personnel file.

### 12.5 Work Environment

**Safety and Health:** Employees are expected to support (Your Church's) objective to provide a safe and healthful work environment for all employees. (Your Church) fully intends to comply with published workplace safety standards of Federal, State and local agencies. Employees are expected to perform their work within those standards to assure the health and safety of themselves and others, and to advise supervisors of any concerns they may have with respect to skills, training or equipment related to a task they are expected to perform.

**Smoking:** Smoking is not permitted in the buildings or on the grounds of (Your Church) at any time or at church-sponsored activities away from the premises.

### 12.6 Patents, Copyrights and Employee Work Product

All patents and copyrights resulting from the investment of (Your Church) resources shall be available for (Your Church's) use without payment of royalty. All such intellectual property rights remain the property of (Your Church) unless otherwise agreed in writing. Any work products completed by an employee becomes the property of the (Your Church) and cannot be duplicated or reproduced without the express written consent of (Your Church Governing Body).

### 12.7 Non-Clergy Honoraria

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Honoraria received by employees while performing their responsibilities as a representative of the (Your Church) are to be remitted to the Treasurer to help defray travel expenses incurred. (See Travel Policies, below)

### **12.8 Travel & Expense Reimbursement Policies**

While extensive travel may not be common practice for churches, periodic special events may require some clarity about reimbursement. As more churches use credit cards for miscellaneous expenses, there must also be accountability regarding their use, as well as a "prior approval" routine. Persons controlling a credit card statement should not have access to the related credit card.

A one-over-one approval routine is recommended; that is, travel and unbudgeted expenses should be approved by each person's immediate supervisor at a minimum.

Reimbursement of Expenses - Expense of approved travel performed in the course of conducting (Your Church) business is reimbursable in accordance with IRS reimbursement regulations and (Your Church's) travel reimbursement policy in effect at the time the expense was incurred.

Cash Advance -- A temporary cash advance for immediate expenses of approved travel or approved expenses may be obtained by submitting an approved written request to the (Financial Administrator). Cash advances will be subtracted from total travel reimbursement.

Expense Reports -- Upon the completion of travel, the employee must prepare an expense report and attach necessary supporting receipts. In all cases, expense reports require supervisory signature approval prior to submitting the expense report to the (Financial Administrator). Expense reports of the Pastor or Associate Pastor shall be approved by the (Board Chair). Employees are required to submit their expense reports with necessary receipts and documentation within 30 days of concluding travel itinerary.

Credit Cards -- When credit cards are issued to employees, all charges must be accounted for in accordance with (Your Church) expense reporting procedures. Personal charges are never permitted. All cards must be returned upon an employee's termination of employment or upon request.

### **12.9 Community Involvement**

(Your Church) encourages employees to become involved in the ministries of their own church or other organizations serving their respective community. It is expected that those activities would always be carried out on the employees own time and expense. Some exceptions may be permitted when an activity or event runs concurrent with an activity of (Your Church) and the employee's participation would equally serve both.

## **13. COMPUTER NETWORK & INTERNET ACCESS POLICY**

*Do not work for the food that perishes, but for the food that endures for eternal life, which the Son of Man will give you. – John 6:27 (NRSV)*

### **13.1 Disclaimer**

The Internet is a worldwide network of computers that contains millions of pages of information. Users are cautioned that many of these pages include offensive, sexually explicit, and inappropriate material. In general, it is difficult to avoid at least some contact with this material while using the Internet. Even innocuous search requests may lead to receipt of unsolicited e-mail containing offensive content. Additionally, having an email address on the internet may lead to receipt of unsolicited e-mail containing offensive content. Employees (Users) accessing the Internet do so at their own risk and (Your Church) is not responsible for material viewed or downloaded by users from the Internet. To minimize these risks, and to assure that computer use is related to the business of (Your Church), use of the Internet at work is governed by the following policy:

### **13.2 Permitted Use of Internet and Company Computer Network**

The computer network (all software and hardware) is the property of (Your Church) and may only be used for legitimate business purposes. Users are provided access to the computer network to assist them in the performance of their jobs. Additionally, Users are also provided with an email account with access to the Internet through the computer network. All Users have a responsibility to use computer resources and the Internet in a professional, lawful and ethical manner. Abuse of the computer network, email accounts, or the Internet, may result in disciplinary action, including possible termination.

### **13.3 Computer Network Use Limitations - Prohibited Uses**

Without prior written permission from (Your Church), the computer network may not be used to disseminate, view or store any defamatory material, commercial or personal advertisements, solicitations, promotions, destructive code (e.g., viruses, self-replicating programs, etc.), political material, pornographic text or images, or any other unauthorized materials. Users may not use the Internet connection to download games or other entertainment software (including screen savers), or to play games over the Internet. Additionally, Users may not use the computer network to display, store or send (by e-mail or any other form of electronic communication such as bulletin boards, chat rooms, Usenet groups, etc.) material that is fraudulent, harassing, embarrassing, sexually explicit, profane, obscene, intimidating, defamatory or otherwise inappropriate or unlawful. Furthermore, anyone receiving such materials must notify his/her supervisor immediately.

### **13.4 Illegal Copying**

Users may not illegally copy material protected under copyright law or make that material available to others for copying. Users are responsible for complying with copyright law and applicable licenses that may apply to software, files, graphics, documents, messages, music, videos and other material you wish to download or copy. Users may not agree to a license or download any material for which a registration fee is charged without first obtaining the express written permission of (Your Church Treasurer).

### **13.5 Communication of Trade Secrets**

Unless expressly authorized to do so, User is prohibited from sending, transmitting, or otherwise distributing proprietary information, data, trade secrets or other confidential information belonging to (Your Church). Unauthorized dissemination of such material may result in severe disciplinary action as well as substantial civil and criminal penalties under state and federal Economic Espionage laws. Note: Proprietary information includes such items as membership lists or other details regarding individual members.

### **13.6 Duty Not to Waste or Damage Computer Resources**

Accessing the Internet -- To ensure security and avoid the spread of viruses, Users accessing the Internet through a computer attached to the church's network must do so through an approved Internet firewall or other security device. Bypassing the church's computer network security by accessing the Internet directly by modem or other means is strictly prohibited unless the computer you are using is not connected to the Company's network.

Emails and Frivolous Use of Computer Resources -- Computer resources are not unlimited. Network bandwidth and storage capacity have finite limits, and all Users connected to the network have a responsibility to conserve these resources. As such, the User must not deliberately perform acts that waste computer resources or unfairly monopolize resources to the exclusion of others. These acts include but are not limited to sending mass mailings or chain letters, spending excessive amounts of time on the Internet, playing games, engaging in online chat groups, uploading or downloading large files, accessing streaming audio and/or video files, or otherwise creating unnecessary loads on network traffic associated with non-business-related uses of the Internet.

Virus Detection -- Files obtained from sources outside the company, including disks brought from home, files downloaded from the Internet, newsgroups, bulletin boards, or other online services; files attached to e-mail, and files provided by customers or vendors, may contain dangerous computer viruses that may damage the computer network. Users should never download files from the Internet, accept e-mail attachments from unknown parties, or use disks from non-church sources, without first scanning the material with church-approved virus checking software. If it is suspected that a virus has been introduced into the network, notify the church's (Your Church IT department or servicing vendor) immediately.

### **13.7 No Expectation of Privacy**

***Employees are given computers, email accounts, and Internet access to assist them in the performance of their jobs. Employees should have no expectation of privacy in anything they create, store, send, or receive using (Your Church's) computer equipment. The computer network is the property of the (Your Church) and may be used only for church purposes.***

**Waiver of Privacy Rights -- User expressly waives any rights of privacy in anything (s)he creates,**

*Our insurance serves you so you can serve God.*

*Serve God*

**stores, sends or receives using the church's computer equipment, email account or Internet access. User consents to allow church management access to and review of all materials created, stored, sent or received by User through any church network or Internet connection.**

**Monitoring Computer and Internet Usage – (Your Church) has the right to monitor and log any and all aspects of its computer system including, but not limited to, monitoring Internet sites visited by Users, monitoring chat and newsgroups, monitoring file downloads, and all communications sent and received by Users.**

**Blocking Sites and Inappropriate Content -- The Company has the right to utilize software that makes it possible to identify and block access to Internet sites containing sexually explicit or other material deemed inappropriate in the workplace.**

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*Serve God*

**ACKNOWLEDGEMENT – COMPUTER NETWORK & INTERNET POLICY**

I have read and agree to comply with the terms of this policy governing the use of (Your Church's) computer network. I understand that violation of this policy may result in disciplinary action, including possible termination.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Copy to be kept with Handbook

**EMPLOYEE HANDBOOK ACKNOWLEDGEMENT**

I acknowledge receipt of a copy of the Employee Handbook of (Your Church).

My supervisor provided an introduction to the policy. Specifically, we reviewed the policy, stating that all employees of (Your Church) are employees-at-will and either the employee or (Your Church) can terminate the employment relationship at any time for any reason not prohibited by law."

The Handbook will remain in my possession although it is the property (Your Church). Upon my leaving, I will return this Handbook to my supervisor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Copy to be kept with Handbook

**ANNUAL ATTESTATION**

**Internet Policy Acknowledgement**

I have read and agree to comply with the terms of this policy governing the use of (Your Church's) computer network. I understand that violation of this policy may result in disciplinary action, including possible termination.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**EMPLOYEE HANDBOOK ACKNOWLEDGEMENT**

I acknowledge receipt of a copy of the Employee Handbook of (Your Church).

My supervisor provided an introduction to the policy. Specifically, we reviewed the policy, "**All employees of the (Your Church) are employees-at-will and either the employee or (Your Church) can terminate the employment relationship at any time for any reason not prohibited by law.**"

The Handbook will remain in my possession although it is the property of (Your Church). Upon my leaving, I will return this Handbook to my supervisor.

action, including possible termination.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

cc: Personnel File

## XX EMPLOYEE WELFARE BENEFIT & PENSION PLANS

### WARNING:

The Welfare Benefit and Pension Plans provisions of the Employee Handbook have been separated from the other text to make it clear that this section is provided as an example only based upon an actual plan. It may not be representative of other plans and should not be construed as being typical.

Welfare benefits provided by employers may vary widely. Likewise, employers may pay the full cost or share the cost of all or parts of the plan with employees, especially dental and health care benefits. This section is provided as an example only. It MUST be written to reflect the benefits actually provided and other conditions of the benefit plan. Provisions of the Employee Handbook should be reviewed by the Plan Administrator (e.g., your respective Pension Board) to assure they are correct and consistent with the actual plan provided.

In this example, different eligibility provisions are indicated for exempt and non-exempt employees. This example also provides eligibility at 30 hours per week. These provisions must be consistent with the eligibility rules set by the Plan Administrator (Pension Boards or other administrator).

### XX.1 Employee Welfare Insurance Plans

(Your Church) provides (life, health, dental, and disability insurance) coverage for its employees as described below. Applicable premiums are fully (or partially) paid by (Your Church). (Your Church) reserves the right to change, add or omit coverage and employee contribution rates as circumstances require.

Employees become eligible for welfare benefits as follows:

- Exempt employees - For full-time regular and part-time regular employees who work a minimum of (thirty) hours per week, enrollment in the health, dental, life and disability plans will occur the first day of the month coincidental with or next following the date of employment subject to the rules, policies and provisions of the Group Plans.
- Non-Exempt employees - For full time regular and part-time regular employees who work a minimum of (thirty) hours per week, enrollment in the health, dental, life and disability plans will occur the first day of the month coincidental with or next following the date of successful completion of the trial period, subject to the rules, policies and provisions of the Group Plans.

The following plans are provided:

- Life Insurance – (Your Church) provides life insurance for eligible employees in an amount determined by the (Pension Boards or other insurance company). Spousal life insurance is also provided in the amount of \$x,xxx. Refer to (welfare benefit plan) documents for details. Supplemental group life insurance may be purchased by the employee.
- Health Insurance – (Your Church) provides health insurance for eligible employees and their eligible dependents as defined by the plan. Refer to (welfare benefit plan) for details. (Your Church) pays for eligible dependents when we are the Primary Plan not the Secondary Plan. The cost of Secondary Plan coverage must be paid by the employee.
- Dental Insurance – (Your Church) provides dental insurance for eligible employees and their dependents as defined by the plan. Refer to the (welfare benefit plan) for details. (Your Church) pays for eligible dependents when we are the Primary Plan not the Secondary Plan. The cost of Secondary Plan coverage must be paid by the employee.
- Short Term Disability – (Your Church) provides short term disability for eligible employees who are unable to work because of illness or non-work related accident. This benefit is calculated by the plan administrator (Pension Boards), subject to the following conditions:
  - Payable only after the employee has completed the (30)-day waiting period;
  - The employee has not been absent from work long enough to qualify for Long Term Disability;
  - Medical certificate or other documentation is provided upon request;
  - Payment of this benefit ceases upon occurrence of the earliest of any of the following:
    - Employee returns to work;
    - Employee is declared capable of returning to work;
    - Required waiting period for Long Term Disability has been met; or

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*Serve God*

- Employment is terminated for any reason.
- Long Term Disability – (Your Church) provides long term disability insurance for eligible employees under age seventy (70). Refer to the (welfare benefit plan) for details.
- Vision Benefit Plan – (Your Church) provides employer paid vision benefits for eligible employees and their family. Refer to the plan for details on this benefit.

### ***XX.2 Annuity Fund (Pension Plan)***

The following enrollment, eligibility, contribution, and entitlement conditions apply:

- Exempt Employees - Full time regular exempt employees and part- time exempt employees who work a minimum of (twenty hours) per week shall be enrolled in the (Pension Plan) administered by (Pension Boards or other plan administrator), effective the first day of employment. (Your church) shall make quarterly contribution payments on behalf of the employee.
- Non-Exempt Employees -- Regular full-time non-exempt employees and regular part-time non-exempt employees who work a minimum of (twenty) hours per week shall be enrolled in the (Pension Plan) administered by (Pension Boards or other plan administrator) upon successful completion of their trial period. After enrollment, (Your Church) shall make quarterly contribution payments on behalf of the employee.
- Trial Period (Non-Exempt Employees) -- During the trial period, pension contributions shall be accrued and included in the first quarterly contribution payment after successful completion of the trial period. Any amounts accrued during the trial period will remain the property of the (Your Church) whenever employees do not successfully complete their trial period.
- Contribution Rate -- The amount of contribution shall be calculated by multiplying the total of the eligible employee's base salary by the pension contribution rate approved by the (Your Church's Board of Directors).
- Salary Reduction Contribution -- On the basis of a signed agreement between (Your Church) and the employee, (Your Church) may reduce the compensation of the employee and pay this amount into the (Pension Plan) as tax sheltered compensation, thereby increasing the employee's ultimate retirement benefits. An employee interested in the Salary Reduction Contribution option should contact the (Pension Boards or other plan administrator) for information, as contribution restrictions apply.