

Episcopal Diocese of Michigan



Clergy and Lay Human Resources Handbook

Revised June 2019

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PREFACE

Introduction

This handbook is designed to answer your questions concerning your employment with the Episcopal Diocese of Michigan (“Diocese”) and its congregations, agencies, and affiliated institutions (hereafter referred to as “Congregations, Agencies, and Affiliated Institutions”). It is intended to clarify and update provisions of the Diocese of Michigan compensation and benefits policies. It is also intended to provide a general understanding of the policies of the Diocese, Congregations, Agencies, and Affiliated Institutions regarding matters of Human Resources.

Policies contained in this handbook are binding to Diocesan Employees and are **guidelines** for all employees of Congregations, Agencies, or Affiliated Institutions of the Diocese. These policies are considered to be the minimum standards. **Variations from this policy should be submitted in writing to the Diocesan Administrator.**

In order to retain flexibility in the administration of its policies and guidelines, the Diocesan Office, and Congregations, Agencies, and Affiliated Institutions, with the consent of the Diocesan Council, reserve the right to change, add, revise, or cancel any rule, policy or benefit, including the polices and contents of this handbook.

Because this handbook cannot anticipate every situation or question, inquiries and comments concerning these policies and guidelines should be directed to:

- The Diocesan Administrator or the Chief Administrative Officer if you are employed by the Diocese, or
- The Rector and/or Clergy Person in Charge, as applicable, of the Congregation or his/her delegate if you are employed by a Congregation, or
- The appropriate designated Administrator (“Administrator”) if you are employed by an Agency or Affiliated Institution.

I.
GENERAL
EMPLOYMENT
MATTERS

Employment Status

Employment relationships in the Diocese of Michigan are based on a mutual covenant between the individual worker and the employing Office, Congregation, Agency, or Affiliated Institution. This is a voluntary relationship entered into and continued between the clergy person or lay employee and the Diocesan Office, Congregation, Agency, or Affiliated Institution which employs her or him and may, in some cases, be subject to provisions of The Episcopal Church and/or Diocesan Canon Law. As a mutually voluntary relationship, the employment relationship continues for an indefinite duration, but it may be terminated by either party, with or without cause, at any time(s) as it should wish to do so, subject in the case of clergy to provisions of Canon Law.

The laws of the State of Michigan define such a mutually voluntary employment relationship as an “at-will” relationship, meaning that the relationship continues at the mutual will of the parties. In the interest of ensuring that the employment relationship is completely open, and that there are no misunderstandings, the Bishop believes that it is important for all persons who work in and for the Diocese to know their employment status under the secular laws.

This Handbook is not intended to, and should not be understood to, alter, modify, or conflict with employment status under applicable law. All provisions of the Handbook will be interpreted in accordance with that law. Employment status can only be altered or modified through a written agreement signed both by the employee and the employing Diocese, Congregation, Agency, or Affiliated Institution (acting through its authorized representative) that specifically states that it is intended to alter, modify, or supersede the employment status.

Definitions

Clergy: An individual who has met the canonical requirements and been ordained/consecrated a deacon, priest, or bishop in The Episcopal Church; or who has been appropriately and canonically received as a deacon, priest, or bishop from another church; or functions under the terms of a Full Communion partnership (i.e., the Moravian Church and the Evangelical Church of America) and either by canonical residence or Episcopal license is authorized to function in the Diocese of Michigan.

- **Full-Time:** When referring to **clergy**, it means regularly working thirty (30) hours or more per week.
- **Part-Time:** When referring to **clergy**, it means regularly working at least twenty (20) but less than thirty (30) hours per week.
- **Supply:** When referring to **clergy**, it means (1) working an occasional Sunday or leading/taking part in worship services on a fee-for-service or per diem basis, or (2) performing pastoral duties on a fee-for-service or pre-agreed basis.

Lay Employee: A non-ordained individual who performs prescribed services on behalf of the Diocese, Congregations, Agencies, or Affiliated Institutions.

- **Full-Time:** When referring to **lay** employment, it means employment in which an individual receives compensation for regularly working thirty (30) hours or more per week.
- **Part-Time:** When referring to **lay** employment, it means employment in which an individual receives compensation for regularly scheduled working hours less than thirty (30) hours per week.
- **Casual:** When referring to **lay** employment, it means less than full time employment in which an individual receives hourly compensation on a seasonal, irregular, or “as needed” basis.

Exempt Personnel: An individual who is defined as “exempt” from the Fair Labor Standards Act (FLSA), as amended from time to time by the Department of Labor. Employees must meet the salary level test, salary basis test, and the duties test as prescribed by the FLSA. Exempt employees are paid a salary, rather than an hourly wage.

Non-Exempt Personnel: An individual who is not covered by the definition of “exempt personnel” under the Fair Labor Standards Act is a “non-exempt” employee. A non-exempt employee will receive an hourly wage and must be paid time and one half for hours of work over 40 per week.

Additional information on exempt/non-exempt employment classifications can be found on the Dept of Labor website: <https://www.dol.gov/>

Dependent: For the purposes of medical insurance coverage,* a dependent is:

- A Spouse
- A Same Sex Domestic Partner (Two adults who have chosen to share one another's lives in a mutually exclusive partnership that resembles marriage. The completion of a Domestic Partnership Affidavit is required for coverage.)
- A Child who is 30 years of age or younger on December 31st of the current year
- A Disabled Child under the rules of the Social Security Administration

*Each insurance company's plan has slightly different provisions as benefits for each category of dependent. For specific information, please contact **the Diocesan Administrator**.

Equal Employment Opportunity

It is the policy of the Diocese, Congregation, Agencies, and Affiliated Institutions, that the same comply with all applicable federal, state, and local laws. Unlawful discrimination is not practiced by the Diocese, Congregations, Agencies, or Affiliated Institutions and will not be tolerated. Further, it is the policy of the Diocese to prohibit discrimination on the basis of one's race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, age, weight, height, disability, military status, family status, or marital status. This policy of equal opportunity shall also be applied without regard to the religious beliefs of a person except where a position or policy could affect or relate to the religious principles or doctrines of the Episcopal Church. For example, some program positions may require active membership in the church so as to effectively implement the principles, practices, or doctrines of the Episcopal Church.

This equal employment opportunity policy is under the overall supervision and guidance of the Bishop of the Diocese or a diocesan executive, as designated by the Bishop. The Diocesan Council will fully support this Policy. The Diocese, Congregations, Agencies, and Affiliated Institutions will also comply with the Diocesan Convention and adopted resolutions as applicable to matters of Human Resources and employment.

Any questions or problems related to this policy, or any perceived deviation from this policy, should immediately be brought to the attention of the Diocesan Administrator, or if there is no Diocesan Administrator, the Chief Administrative Officer for employees of the Diocese; the Rector and/or Clergy Person in Charge, as applicable, of the Congregation or his/her delegate for employees of a Congregation; or the Administrator for employees of an Agency or Affiliated Institution.

The Episcopal Diocese of Michigan does not discriminate on the basis of disability in its hiring or employment practices and complies with all regulations promulgated by the U.S. Equal Employment Opportunity Commission under Title I of the Americans with Disabilities Act (ADA). An employee needing to request a reasonable accommodation, as prescribed by the ADA, must notify, in writing, the Diocesan Administrator—or if there is no Diocesan Administrator, the Chief Administrative Officer, the Rector, and/or Clergy Person in charge—of a reasonable accommodation. Requests should be made as soon as the need for the accommodation is realized.

Sexual Harassment and Other Prohibited Conduct

It is a longstanding policy of the Diocese, Congregations, Agencies, and Affiliated Institutions to provide and maintain a work environment free from harassment of any kind as part of an overall commitment to equal opportunity in employment. Further, as Christians, we are committed to respect the dignity of every human being. This is particularly important in how we work together (clergy, lay employees, and volunteers). Accordingly, it is important that we fully comply with all applicable laws in creating a healthy working environment. Harassment, for example, undermines the integrity of the employment relationship and negatively impacts the morale and productivity of all who work at the Diocese, Congregations, Agencies, and Affiliated Institutions. It is prohibited for any employee, clergy, supervisor, or volunteer to harass another employee, clergy, supervisor, or volunteer, during working or non-working hours, on the basis of race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, age, weight, height, disability, military status, family status, or marital status.

Prohibited Conduct

Sexual Harassment

According to the Equal Employment Opportunity Commission (EEOC), there are two types of sexual harassment claims: “**quid pro quo**” and “**hostile work environment**.” The EEOC provides guidance on defining sexual harassment and establishing employer liability.

Quid pro quo means “this for that.” In this context, it involves expressed or implied demands for sexual favors in exchange for some benefit (e.g., a promotion, pay increase) or to avoid some detriment (e.g., termination, demotion) in the workplace. Quid pro quo harassment is perpetrated by someone who is in a position of power or authority over another (e.g., manager, supervisor over a subordinate). A clear example of quid pro quo harassment would be a supervisor threatening to fire an employee if he or she does not have sex with the supervisor.

Hostile work environment harassment arises when speech or conduct is so severe and pervasive it that creates an intimidating or demeaning environment or situation that negatively affects a person’s job performance. Unlike quid pro quo harassment, this type of harassment can be perpetrated by anyone in the work environment, including a peer, supervisor, subordinate, vendor, customer, or contractor. Hostile work environment situations are not as easy to recognize, given that an individual comment or occurrence may not be severe, demeaning behavior may occur that is not based on sex, and there may be long periods between offensive incidents. Examples of

conduct that might create a hostile work environment include inappropriate touching, sexual jokes or comments, repeated requests for dates, and a work environment where offensive pictures are displayed.

The EEOC says sexual harassment can occur in a variety of circumstances, including the following:

1. The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.
2. The harasser can be the victim's supervisor, an agent of the employer, a supervisor in another area, a co-worker, or a non-employee.
3. The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.
4. Unlawful sexual harassment may occur without economic injury to or discharge of the victim.
5. The harasser's conduct must be unwelcomed.

Other Prohibited Conduct

Other forms of harassment include verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, age, weight, height, disability, military status, family status, or marital status or that of his/her relatives, friends, or associates, and that: (1) has the purpose or effect of creating an intimidating, hostile, or offensive working environment; (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities.

Harassing behavior includes, but is not limited to, name calling, slurs, negative stereotyping; or threatening, intimidating, or hostile acts that relate to one's race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, age, weight, height, disability, military status, family status, or marital status; or written or graphic material that defames or shows hostility or aversion toward an individual or group because of the foregoing characteristics and that is placed on walls, bulletin boards, or elsewhere on the premises or circulated in the workplace.

Where to Complain

Any employee who believes that workplace actions or words constitute harassment must immediately contact one of the following, depending on your place of employment: (1) direct supervisor in the Diocesan Office; (2) the Rector and/or Clergy Person in Charge, as applicable, of the Congregation where employed or his/her delegate; (3) the Administrator of the Agency or Affiliated Institution where employed; or (4) the privacy officer or person charged with investigating harassment claims in your place of employment. If you are dissatisfied with the results of the initial investigation or if you are uncomfortable reporting to the designated individual, you must file a complaint with the Diocesan Administrator, or if there is no Diocesan Administrator, Chief

Administrative Officer at the Diocese or the person designated by the Bishop to receive such complaints. All complaints or incidents brought to the attention of the Diocese, Congregations, Agencies, or Affiliated Institutions, as applicable, will be investigated immediately in as confidential a manner as possible and appropriate action will be taken. Each response to an allegation of harassment will be based on the totality of the circumstances and the facts gathered during investigation of a complaint.

Penalty

An act found to constitute harassment will result in disciplinary action and can result in discharge. In the case of clergy, the application of the Ecclesiastical Disciplinary process may occur as well.

Non-Retaliation

No employee will be retaliated against for filing a complaint or participating in an investigation of a violation of this policy.

Harassment by a Non-Employee—Where to Complain

Any employee who believes he or she has been the subject of harassment as defined in this policy by a **non-employee**, such as a member of a congregation, during work time or in relation to the employee's work, should immediately contact one of the following, depending on your place of employment: (1) direct supervisor in the Diocesan Office (2) the Rector and/or Clergy Person in Charge, as applicable, of the Congregation where employed or his/her delegate; (3) the Administrator of the Agency or Affiliated Institution where employed; or (4) the privacy officer or person charged with investigating harassment claims in your place of employment. If the employee does not feel comfortable discussing the matter with him/her, then the employee should contact the Diocesan Administrator or if there is no Diocesan Administrator, the Chief Administrative Officer at the Diocese. An investigation of the complaint will be undertaken.

If, after appropriate investigation, the Diocese, Congregation, Agency, or Affiliated Institution finds that a non-employee has harassed an employee during work time or in relation to the employee's work, appropriate action will be taken.

II.
ABSENCES
FROM WORK

Attendance Policies

In general, all Clergy and lay employees are expected to be at work in accordance with the locally agreed working times and workplace. Exceptions are included in the following *Absence from Work* policies. Failure to report as scheduled or to contact supervisor and/or schedule an *Absence from Work* may result in disciplinary action. Except for illness, emergency, and funerals, *Absences from Work* should be arranged as far in advance as possible, usually at least two (2) weeks.

Holidays

The following holidays are recognized within the Episcopal Diocese of Michigan: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Good Friday, Easter Monday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day, one day during Christmas season, and New Year's Eve Day (or as locally published if the total number of days is equal to or greater than this list).

Clergy are expected to perform their professional obligations as required and observe holidays as possible. If obligations supersede a holiday, equivalent time should be arranged at the next convenient opportunity.

Full-Time Exempt employees will receive their regular weekly salary during weeks in which a holiday occurs. If working on a holiday is required for the operation of the Diocese, Congregation, or Agency, compensatory time off shall be granted as soon as possible.

Full-Time Non-Exempt employees will receive one (1) day of regular pay for holidays. If working on a holiday is required for the operation of the Diocese, Congregation, or Agency, the employee will be paid for the holiday as stated above and paid overtime for actual hours worked.

Part Time Employees will receive their regular pay for the time regularly scheduled for the holiday. If working on a holiday is required for the operation of the Diocese, Congregation, or Agency, the employee will be paid for the holiday as stated above and paid for actual hours worked.

Casual Employees are not paid for holidays.

Should a holiday fall on a Saturday or Sunday, the day recognized by the State of Michigan will be substituted. Holiday pay for non-exempt employees will be allowed if a holiday falls between two (2) paid vacation days.

Vacations

Clergy

Clergy (full- and part-time) are due four (4) weeks of paid vacation time per year, including four (4) Sundays. This is meant to be time away from all congregational duties. Congregations may wish to offer additional time off.

Full-Time/Non-Exempt Personnel (Non-Clergy)

Vacation time for non-exempt personnel is based on length of service and is allowed during a calendar year as shown in the following schedule:

<u>DATE OF HIRE</u>	<u>VACATION TIME</u>
January 1 through May 31	Five (5) workdays in the first calendar year of employment after completing six (6) continuous months of service; Ten (10) workdays in the second calendar year of employment provided employee has completed twelve (12) continuous months of services; and ten (10) workdays thereafter until the 6th anniversary year.
June 1 through December 31	No vacation days in the first calendar year of employment; Ten (10) workdays in the second calendar year of employment provided employee has completed ten (10) continuous months of service; and ten (10) workdays thereafter until the 6th anniversary years.
6th anniversary year and following	Up to fifteen (15) workdays in the 6th anniversary year of employment and every year thereafter.
12th anniversary year and following	Twenty (20) workdays in the 12th anniversary year of employment and every year thereafter.

For these purposes, anniversary year is defined as the calendar year in which the anniversary of an employee's hire date falls.

Full-Time Exempt Personnel (Non-Clergy)

Exempt personnel receive twenty (20) workdays of vacation time each calendar year except that the following schedule applies for the first calendar year of employment:

<u>DATE OF HIRE</u>	<u>VACATION TIME</u>
January 1 through March 31	Twenty (20) workdays
April 1 through June 30	Fifteen (15) workdays
July 1 through September 30	Ten (10) workdays
October 1 through December 31	No vacation days

Part-Time Lay Employees

Part-time employees regularly scheduled will receive a pro rata amount of vacation time based on their length of service in accordance with the schedule for full-time non-exempt personnel.

General Vacation Procedures

Employees must observe the appropriate scheduling procedures for vacation time and schedule their vacations in a fashion that is fair to other employees and the needs of the Diocese, Congregation, Agency, or Affiliated Institution, as applicable. In so doing, the following guidelines must be observed:

1. Vacation time may not be accumulated from year to year.
2. When a holiday falls within his/her vacation period, an additional day of vacation is granted. The extra day should be scheduled through the supervisor.

Clergy and lay employees terminating or resigning employment will be paid for a pro rata amount of vacation time earned and unused for the year at the time of termination. The time allowed under the vacation schedule will be prorated based on the percentage of time the employee worked during the calendar year.

Jury Duty/Court Appearance

An excused absence will be granted to all employees who are summoned for jury duty or to serve on a jury for the period of service required. The employing unit will pay the difference between the jury fee and the employee's regular salary or wages that the employee would have received for the working time actually lost. In order to receive payment, the employee must present proper evidence of the amount paid for such jury service. If the jury duty assignment only requires part of the day, it is expected that the employee will complete the balance of the normal, regular workday.

An employee who is subpoenaed for the purpose of giving testimony will be granted an unpaid excused absence.

Bereavement Leave

Bereavement leave is a leave in addition to personal or sick paid time off. Accordingly, bereavement leave days are not to be deducted from accumulated personal or sick days earned.

Employees will be granted leave with pay due to the death of a family member or for the purpose of attending to affairs relating to the death of a family member according to the following schedule*:

Immediate Family Members (mother, father, brother, sister, spouse/partner, children, parents-in-law): three (3) days. If more than three (3) days are needed, vacation and/or personal/sick leave days may be used.

Other Family Members (aunts, uncles, grandparents, nieces, nephews, brothers-in-law, sisters-in-law): one (1) day. If more than one (1) day is needed, vacation and/or personal/sick leave days may be used.

***Familial relationships are all different, so employing entities will need to use discretion as applicable in the Bereavement Leave policy.**

Sick Days and Personal Leave (Paid Time Off)

All full time clergy and lay employees are entitled to twelve (12) days of paid time off, generally described as nine (9) sick days and three (3) personal days. This paid time off may be used for any reason allowed under the Family and Medical Leave Act (FMLA) rules (see page 14). Part-time exempt employees are entitled to proportionate sick days.

Unused paid time off (sick/personal days) is not accumulated from year to year.

An employee must notify his or her direct supervisor as soon as possible, but no later than one (1) hour after the employee's scheduled starting time, to request an available sick or personal day.

Leave for personal reasons must be approved as far in advance as possible and will be granted to the extent that staffing conditions permit. All lay and clergy persons must keep accurate records of sick days taken.

Part-time employees are entitled to a pro rata amount of paid time off, based on the number of hours worked weekly.

Military Leave

The Diocese, Congregations, Agencies, and Affiliated Institutions recognize the importance of military service and support those employees who are members of the uniformed services as required by federal and state laws. Leaves of absence for military service, military reserve duties, and training shall be governed by applicable law. All employees requesting a leave of absence for such reasons should notify their direct supervisor of such need as soon as is reasonably possible so as to minimize disruption to work.

Clergy and Lay Professional Sabbaticals, Continuing Education/Professional Development

Sabbaticals

Sabbatical leave is a carefully planned period of time, usually three (3) months, following the first seven (7) years of service in a diocesan-related ministry, in which the lay professional or clergy person is granted leave away from normal duties in order to spend an extended period of time in study, reflection, and renewal. Sabbatical time can be scheduled after each seven (7) year period of employment.

Sabbatical leave is not a vacation, nor is it only continuing education; it is to promote spiritual, intellectual, and emotional renewal and growth. Sabbaticals are also a time to reflect on one's life, ministry, mission, call, and goals for the future in order to be a more effective minister of the Gospel and shepherd God's people.

Employers are encouraged to accrue funds to support sabbatical activity. Please contact the Diocesan Administrator for a copy of the current "Guidelines & Resources for Sabbatical Planning" document.

Continuing Education/Professional Development

A minimum of ten (10) days per calendar year for continuing education/professional development activities will be granted in consultation with the governing body of the employing entity. Continuing education/professional development days generally may not be carried over to the next year unless approved by the Diocese, Congregation, Agency, or Affiliated Institutions.

The Family and Medical Leave Act (FMLA)

It is the policy of the Diocese, Congregation, Agencies, and Affiliated Institutions, that the same comply with the guidelines of the Family and Medical Leave Act (FMLA) as prescribed by the U.S. Department of Labor.

The FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group

health insurance coverage under the same terms and conditions as if the employee had not taken leave. Eligible employees are entitled to:

Twelve (12) work weeks of leave in a 12-month period:

- to care for a new child, whether for the birth, the adoption, or placement of a child in foster care;
- to care for a seriously ill family member (spouse, son, daughter, or parent) (Note: son/daughter has been clarified by the Department of Labor to mean a child under the age of 18 or a child over the age of 18 with a mental or physical disability as defined by the Americans with Disabilities Act, which excludes among other conditions, pregnancy and post-partum recovery from childbirth);
- to recover from a worker's own serious illness;
- to care for an injured service member in the family; or
- to address qualifying exigencies arising out of a family member's deployment.

Twenty-six (26) work weeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

Employee Eligibility

A clergy or lay employee *may* be eligible for FMLA leave under this policy only if he/she:

1. Was employed by the Diocese, *or* Congregation, Agency, or Affiliated Institution for at least twelve (12) months, whether or not consecutive;
2. Completed at least 1,250 hours of service within the 12-month period preceding the commencement of the leave; and
3. Works at a work site where fifty (50) people are employed or a site within a 75-mile radius of fifty (50) or more employees of the Diocese, Congregation, Agency, or Affiliated Institution at the time the employee gives notice of the need for FMLA leave.

Please contact the Diocesan Administrator for current information on guidelines and implementation of the Family and Medical Leave Act.

III. COMPENSATION

Compensation Policy

Employees work on a weekly basis at such times as designated by their employer. Variations from the schedule must be approved in advance by an employee's direct supervisor. Please contact the Diocesan Administrator for a copy of the current "Clergy Compensation Policy" document for additional information.

Non-Exempt Employees

Non-exempt employees will be paid at the rate of one and one-half (1-1/2) hours for each hour of overtime work. Overtime begins after forty (40) hours of work are completed during a regular workweek. All overtime must be approved and/or appointed by a direct supervisor.

Exempt Employees

Exempt employees may be requested to work at such other times as directed by their direct supervisor, or they may request to work at such other additional times as necessary but only as approved by their direct supervisor.

Exempt Employees Compensatory Time

Exempt employees may be provided, on a pre-approved basis, compensatory time off. Compensatory time off provided to exempt employees may be awarded in half-day increments provided that compensatory time off must be taken within the payroll period for which the compensatory time off was awarded. No more than five (5) full days of compensatory time may be awarded per calendar year and compensatory time will not accumulate from year to year, except with regard to the last quarter of each year.

Employing Unit Recommended Pay Policies

Each employing unit, with the Diocese's approval, should consider adopting policies and procedures providing for:

1. Pay day schedule.
2. Filing of employee time reports.

**IV.
PERSONNEL
MATTERS**

General Guidelines

Each employing unit should consider adopting local policies regarding some or all of the following:

1. Workplace rules and standards.
2. Dress code.
3. Regular workday hours, lunch periods and breaks.
4. Inclement weather.
5. Confidentiality policy.
6. No solicitation policy.
7. Computer use and email policy.
8. Absences from work.
9. Punctuality.

Reimbursement for Mileage

Clergy and lay employees who are required to operate a personal vehicle on Diocesan, Congregational, Agency, or Institutional business are to be reimbursed at the annual rate set by the Internal Revenue Service Guidelines. Parking fees and toll charges if similarly incurred will be reimbursed.

Clergy and lay employees are required to get prior approval for travel expenses from the employing unit before making travel arrangements for diocesan business.

Each employing unit should have an accountable reimbursement policy, requiring appropriate documentation of expenses and a stated business purpose.

Other Travel Expenses

Clergy and lay employees are to be reimbursed for approved travel expenses over and above their vehicle allowance upon submission of reasonable evidence of expenses and a stated business purpose.

V. BENEFITS

Introduction to Benefits

Many of the benefits discussed in the following sections are described in greater detail in separate summaries, and in separate plan documents or insurance contracts. Conflicts between this handbook and these summaries and/or the underlying plans and contracts will be resolved by the language of the summaries, plans or contracts governing the benefits, and not by this handbook.

Importantly, while the Diocese, Congregation, Agency, and Affiliated Institutions hope to maintain benefits described herein at present levels, the benefits discussed in the following sections are subject to change, amendment, or termination within the sole discretion of the Diocese, Congregation, Agency, or Affiliated Institution, as applicable. Variations from this policy should be submitted in writing to the Diocesan Administrator.

Pension Contributions

Clergy

Clergy who meet eligibility standards are entitled to contributions by their employer into The Church Pension Fund. A full description of the eligibility standards, contribution standards, and pension benefits, as well as other details, may be found in “The Church Pension Fund Handbook,” available from The Church Pension Fund.

Lay Employees

Mandatory Lay Pension: The Episcopal Church requires all of its organizations in the U.S. to provide pension contributions for all lay employees scheduled for 1,000 hours or more of compensated work annually. The mandatory pension amount varies according to plan selected:

- **Defined Contribution Plan:** 5% of salary with up to an additional 4% if employee matches 1%–4%.
- **Defined Benefit Plan:** 9% of salary

Inquiries regarding clergy or lay pension should be addressed as follow:

The Church Pension Fund
445 Fifth Avenue
New York, New York 10016
(800) 223-6602
www.cpg.org

Group Life Insurance

All eligible full- and part-time clergy and lay employees working over thirty (30) hours per week employed by the Diocese, Congregations, Agencies, or Affiliated Institutions may enroll in a group life insurance policy benefit amount of twice their annual cash compensation, not to exceed \$100,000. Policy information as to eligibility, current carrier and benefit terms is available from the **Diocesan Administrator's Office of the Episcopal Diocese of Michigan**. Dependents may be eligible for coverage.

Each clergy person or lay employee is responsible for providing written notice of changes in status or beneficiaries to:

Diocesan Administrator's Office of the Episcopal Diocese of Michigan
4800 Woodward Ave.
Detroit, MI 48201
(313) 832-4400 or Toll Free (866) 545-6424

The Church Pension Fund will also provide an additional life insurance benefit to eligible clergy in accordance with the terms of The Church Pension Fund. Information as to the eligibility and benefit terms for clergy group term life is available from The Church Pension Fund. The contact information for The Church Pension Fund is:

The Church Pension Fund
445 Fifth Avenue
New York, New York 10016
(800) 223-6602
www.cpg.org

Short-Term Disability

Clergy

Please contact Church Pension Group directly at 1-800-223-6602

Lay Employees

Eligible lay employees are enrolled in short disability insurance. Please contact your employer or the Diocesan Administrator for detailed information on the current coverage.

Long-Term Disability

Clergy

Please contact The Church Pension Group directly at 1-800-223-6602.

Lay Employees

Eligible lay employees of the Diocese, Congregations, Agencies, and Affiliated Institutions are covered by a group long-term disability insurance policy. Eligibility and benefit terms are explained in the “Long-Term Disability Summary of Coverage”, which may be obtained from the **Diocesan Administrator’s Office**.

Employees must provide written notice of changes in status to, and make claims through, the **Diocesan Administrator’s Office** of the Diocese of Michigan as indicated above.

Medical and Dental Insurance

Congregations, Agencies, and Affiliated Institutions are to provide medical and dental insurance coverage for full-time clergy and lay employees (working 30 hours or more per week) and their families as provided below. *Please note:* In accordance with the Denominational Health Plan of the Episcopal Church, the Diocese of Michigan requires parity in medical benefits coverage for lay employees and clergy. That is, all clergy and lay employees within a congregation must be offered equal levels of coverage and cost sharing of premiums. The premium cost sharing requirements will be the same for both clergy and lay within a given employing entity.

Clergy and Lay Employees

Full-Time Employees (At least 30 hours per week): Are to be enrolled in their choice of a medical and dental insurance package offered by the Diocese in accordance with plan terms. Coverage shall include their spouse and dependents, and begins on the first day of service. Congregations and other employing entities may select a plan within the array offered and make the same plan available to all eligible clergy and lay employees.

Part-Time Employees (At least 20 hours per week, but less than 30): May be offered medical and dental coverage for themselves, their spouses, and dependents. Persons electing this coverage may be required to pay up to one half of the premium. The Diocese or any Congregation, Agency, or Affiliated Institution electing to offer this benefit to any part-time clergy or lay employee must offer the same benefit to all part-time clergy and lay employees.

Casual Employees: No coverage is offered.

Retirees Under 65 Years of Age (Clergy and Lay): May elect to remain in the medical group by paying premiums on an individual basis.

Retired Clergy 65 Years of Age or Older: Medical coverage is provided as a Medicare supplement through The Church Pension Fund. Please contact The Church Pension Group at (800) 223-6602, or visit www.cpg.org. Clergy, upon retirement, may

continue dental insurance with full premium paid by retiree. Retiree premium contribution rates are established by the Diocese, and are subject to change.

Diocesan Minimum Coverage for Medical Insurance

At each annual Open Enrollment period, an array of medical plans will be offered for eligible clergy and lay employees through the Episcopal Medical Trust. A minimum coverage plan will be established by the Diocesan Office during the Open Enrollment period. Congregations (Agencies/Affiliated Institutions) can opt to pay the full premium for a more benefit-rich plan offered, or clergy and lay employees may “buy up” at their own expense via payroll deduction.

Consumer Driven Health Plans (CDHP), which require employer contributions to a health savings account (HSA), may also be offered as a part of the medical plan selections. The formula for determining an equitable contribution to a HSA can be obtained by contacting the Director of Finance or the Diocesan Administrator.

All consideration must be given to all existing Letters of Agreements and Covenants of Call when discussing implementation of premium cost sharing for your clergy and lay employees.

Dental Insurance

Dental insurance is provided for eligible clergy and lay employees and their dependents. Enrollment information may be obtained from the Diocesan Office.

Detailed information on the available medical and dental plans are available from:

Diocesan Administrator’s Office of the Episcopal Diocese of Michigan
4800 Woodward Ave.,
Detroit, MI 48201
(313) 832-4400 or Toll Free: (866) 545-6264

Surviving Spouse/Partner and Dependents of Clergy

Upon death of an active clergy member, a surviving spouse, upon application to The Church Pension Group/Medical Trust, may enroll for medical and dental benefits in his or her own name. Information on premiums and enrollment may be requested directly from The Church Pension Group/Medical Trust by calling (800) 480-9967.

Annuity Option in Lieu of Medical Coverage

The Diocese, Congregations, Agencies and Affiliated Institutions must permit eligible full-time clergy and lay employees who opt out of medical insurance coverage from the congregation and elect coverage through their spouse’s medical plan to have the congregation make a monthly contribution to a Section 403(b) plan. The amount of the contribution to the 403(b) plan will be established annually by the Diocesan Office at

Open Enrollment time and will based on the premiums for the insurance plans available. This contribution is made in lieu of a health benefit and is not considered part of Minimum Direct Compensation.

The amount of the annuity contribution is set annually by the Diocesan Office, can be obtained from your benefits coordinator or through:

Diocesan Administrator's Office of the Episcopal Diocese of Michigan
4800 Woodward Ave.,
Detroit, MI 48201
(313) 832-4400 or Toll Free: (866) 545-6264

Clergy or lay employees electing out of health insurance coverage provided by the Diocese, Congregation, Agency, or Affiliated Institution must sign a waiver of such coverage. Both clergy and lay employees may again enroll in a health policy provided by the Diocese, Congregation, Agency, or Affiliated Institution during any next regular Open Enrollment period.

**VI.
When
Employment
Ends**

The Diocese of Michigan is an at-will employer. However, the following severance policy will be implemented for lay employees. Dissolution of covenants for clergy are administered through the Office of the Bishop.

Involuntary Termination Policy (Lay Employees)

1. A lay employee in good standing whose service is terminated not by his/her choice, shall be entitled to termination severance pay, unless:
 - a) The employee is discharged for violation of Diocesan personnel policies or other inappropriate behavior.
 - b) The employee exhausts leave time and does not return to work.
2. Termination pay, based on services to the current employer, is as follows:
 - a) One-half (1/2) month pay for each year of service.
 - b) The minimum amount is one (1) month's pay and the maximum amount is six (6) month's pay.
 - c) The employee is also to receive full compensation for earned vacation time determined by the amount of time worked in the year of the termination.
3. An employee in good standing with less than one (1) year of service to the current employer who is terminated not by his/her choice shall be entitled to the following termination pay (except for reasons specified in 1 above):
 - a) Up to 3 months: No termination pay due.
 - b) 3 to 12 months: One (1) week due.
 - c) Employees with over six (6) months but less than one (1) year of service to the current employer who have not taken earned vacation days are to be paid for earned vacation days.
4. Terminated employees currently insured for life and medical will receive employer paid group coverage for group life and medical insurance during the termination pay period. Information on an additional eighteen (18) months of coverage (premiums paid by the employee) can be obtained by contacting The Church Pension Group at (800) 480-9967.
5. Pension premiums during the termination period will not be paid by the employer. Employees who have a vested interest may elect their benefit option as specified in the benefit agreement.
6. Pay base for determining termination pay for lay employees is gross cash compensation.
7. At the time of severance, a date is to be established in writing upon which the employee is no longer expected to perform his/her regular duties.
8. Upon termination after at least five (5) full years of continuous employment, clergy and lay employees who accumulated sick days prior to January 1, 2002, shall be paid for one-half (1/2) of their remaining accumulated sick days up to sixty (60) accumulated days (i.e., an employee may receive up to 30 days).

Voluntary Termination—Compensation for Unused Vacation

Employees voluntarily terminating employment will be paid for a pro rata amount of vacation time earned and unused at the time of termination. The time allowed under the vacation schedule will be prorated based on the percentage of time the employee worked during the calendar year

APPENDICIES

Guidelines on Employment Practices in the Church Workplace

From the 73rd General Convention of The Episcopal Church

Principles and Recommended Guidelines

If the Episcopal Church is to fulfill its mission to the world to proclaim and to teach gospel values of personal dignity and justice in our common life, we must practice those same values in our everyday Church working relationships. Workplace issues such as wages, *pro forma* resignations, and regular evaluations should not be addressed apart from the principles of our Baptismal Covenant.

People who work in the Church—including bishops, kitchen aides, presbyters, headmasters, sextons, deacons, secretaries, musicians, youth workers, teachers, administrators, and others—each, according to assigned responsibilities and personal talents, serve the Church’s mission.

Therefore, in our various church workplaces—congregations, schools, seminaries, camps, institutions, diocesan and national church administration, and so on—we need to promote the right ordering of relationships by fostering the principles of personal dignity, justice, accountability, and participation. By such principles we seek to promote both the dignity of individuals and the corporate responsibilities of church institutions.

Using such principles, it is imperative that we develop church workplace procedures and policies that honor the rights of individuals while serving faithfully the over-arching common good entrusted to us as the church, that is, the mission of Jesus Christ to the World.

1. Employment policies and practices in the Episcopal Church—recruitment, selection, training, policy development, salary, benefits, due process, termination, and retirement—must manifest respect for the dignity of every person, in accord with the Baptismal Covenant.
2. Respect for the mission, ideals, and structures of the organization is expected of all who work within the Church.
3. Respect for the rights and responsibilities of each worker is essential to church workplaces.

Employment Practices for Laity and Clergy

The Call

1. The format of the calling process is to be publicly stated in writing.
2. The description of each position and its requirements is to be clearly defined in writing.
3. A definite calendar and sequence of the process is to be publicly stated in writing.
4. Members of the calling Community are to be represented in the selection process.

The Covenant Between the Person Called and the Calling Community

1. The responsibilities of the person called are to be stated in a clear and definite format within a written covenant.
2. The responsibilities of the calling community to the person called are to be stated in a clear and definite format within a written covenant.
3. Provision for mutual, annual evaluation is to be included in the written covenant.
4. The dates for the inception and expiration of the covenant are to be specified with the written covenant.
5. A complete compensation package, including how and when it will be reviewed, is to be specified within the written covenant.

Continuing the Covenant

1. The spiritual, mental, physical, and social health of every employee deserves support through opportunities for professional development, spiritual nurture, personal growth, and personal time.
2. A standard and regular process of mutual reporting by all parties on their covenanted responsibilities is essential to their shared ministry.
3. All parties share responsibility for fostering a wholesome working environment.

Ending the Covenant

1. Sufficient notice is to be given by either party intending not to renew the covenant upon its stated expiration.
2. When a covenant is not renewed, reasons for the decision are to be given.
3. Appropriate assistance for continuing ministry is to be offered by and to each party.
4. The covenant may be ended, by mutual agreement, prior to the expiration of its stated term.
5. If one party believes the provisions of the covenant are not being fulfilled and wishes, therefore, to terminate the covenant prior to the expiration of its stated term:
 - a) When applicable, canonical procedures will be followed.
 - b) Written documentation, based on the provisions of the covenant must be presented by the terminating party.
6. The dignity of all parties shall be respected in leave-taking. Leave-taking should be marked by the community in a mutually agreed upon manner.

Parity for Lay Employees and Contractors

From the 165th Annual Convention of the Diocese of Michigan

RESOLVED that the 165th Annual Convention of the Diocese of Michigan recommends parity between clergy and lay employees serving in equivalent positions with regard to salary, pension, insurance, and benefits, including medical coverage and professional development, as described by the Equal Opportunities Commission of the United States Department of Labor, and be it further

RESOLVED that the Diocesan Center, Congregations, and Institutions of this Diocese be urged to make and implement this recommendation for all such employees, and be it further

RESOLVED that compensation and benefits for non-professional contract and temporary employees be in accord with United States fair labor policies.