

EPISCOPAL DIOCESE OF ROCHESTER



EMPLOYEE HANDBOOK

Prepared by:



EPISCOPAL DIOCESE OF ROCHESTER

Employee Handbook

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SECTION ONE

INTRODUCTION



WELCOME

Work is sanctified by Christ as part of restoring all things in God's new creation. Jesus reminds us that all work is ministry or an act of serving some wholesome eternal purpose. The Episcopal Diocese of Rochester has a long and proud history as an employer responding to context by valuing the dignity of every person. As an Episcopal Diocese of Rochester employee, you are an important part of our progressive heritage.

This handbook summarizes many of your privileges, benefits, and responsibilities as an employee of our organization. If you are a new employee, it will be helpful in acquainting you with our organization's philosophies and human resources practices. If you are already a member of the Episcopal Diocese of Rochester team, this handbook should prove to be a useful reference. Above all, I hope it will promote consistency, fairness, and understanding throughout our organization.

In order to maintain the necessary flexibility in the administration of policies and procedures, the Episcopal Diocese of Rochester reserves the right to change, revise, or terminate any of the policies and/or benefits discussed in this manual with or without advance notice. After you have read your handbook, please keep it handy for future reference and updating.

Welcome to the Episcopal Diocese of Rochester! I am glad that you have joined our beloved community and I hope that you will find your work among us to be challenging, innovative and rewarding.

Bishop Prince G. Singh
Eighth Bishop in Rochester

MISSION & VISION STATEMENT

VISION: Joy in Christ, as a way of life.

MISSION: To grow and develop congregations spiritually, numerically and in missional leadership.

With Christ's help, we seek to fulfill our mission and vision through:

- *Radical hospitality:* Embracing all as equal and beloved members of Christ's body.
- *Passionate spirituality:* Encouraging all members of Christ's church to be on fire with the Gospel.
- *Thoughtful engagement:* Creating safe environments for discussion and works related to justice, peace and equality.

PREFACE

This handbook* outlines the Human Resources policies and benefit plans currently in effect at the Episcopal Diocese of Rochester. In this employee handbook, the Episcopal Diocese of Rochester is also referred to as the “Episcopal Diocese” “Diocese” “Church” or “organization.” New or revised policies are issued periodically and are effective as of the date shown at the bottom of the page.

The statements regarding our organization’s policies, procedures, and benefits are for information purposes only. They do not constitute a contract for employment, either expressed or implied. Our organization adheres to the principle of employment-at-will which preserves the right of either the employee or the employer to terminate the employment relationship at any time, with or without cause. No manager, supervisor, or employee of the Episcopal Diocese of Rochester has any authority to enter into an agreement for any employment other than at will. Only the Bishop has the authority to make any such agreement and then only if it is reduced to writing.

Important Information about Benefits

As our organization evolves, we will continue to review and revise these human resources policies and benefit programs. The organization reserves the right to alter, reduce, or terminate any pay practices, policies, premium contributions, benefits and benefit plans, in whole or in part, without advance notice. Any such change may affect retirees and beneficiaries, as well as active employees.

The benefit information found in this handbook is intended to provide an overview of the benefit plans. The actual benefits are controlled by the terms of the applicable plan documents and insurance policies. Questions regarding the interpretation of these plans will be answered in accordance with the actual plan documents and insurance policies, rather than the summaries contained in this handbook. Employees may obtain copies of these documents from the Benefits Administrator. The organization and/or the plan administrator have the sole discretion to determine the eligibility for benefits and to interpret and administer these benefit plans.

* This handbook and its policies are effective January 1st, 2015 and supersede all other personnel manuals and personnel policies previously distributed by the organization. To avoid confusion, please discard any copies of previously published employee handbooks.

SECTION TWO

EMPLOYMENT PRACTICES

2.01 NON-DISCRIMINATION

The Episcopal Diocese is committed to a policy of Equal Employment Opportunity with respect to all employees and applicants for employment. The organization prohibits discrimination against qualified employees and applicants in all aspects of employment including, but not limited to: recruitment, hiring, compensation, promotion, job assignments, transfers, demotions, training, leaves of absence, layoff, benefits, termination, and employer-sponsored activities, including social and recreational programs. This policy prohibits discrimination against all legally protected classes including, but not limited to: race, color, sex, age, disability, religion, citizenship, national origin, ancestry, military status or veteran status, marital status, sexual orientation, domestic violence victim status, predisposing genetic characteristics and genetic information, and any other status protected by law.

PRACTICES

This policy is observed in all employment practices, including, but not limited to: recruitment, hiring, compensation, promotion, job assignments, transfers, demotions, training, leaves of absence, layoff, benefits, termination, and employer-sponsored activities, including social and recreational programs and on-the-job treatment of individuals.

DECISIONS

Decisions regarding all employment practices and terms of employment, including, but not limited to: recruitment, hiring, compensation, promotion, job assignments, transfers, demotions, training, leaves of absence, layoff, benefits, termination and employer-sponsored activities, including social and recreational programs, will be made in accordance with this policy.

MANAGEMENT RESPONSIBILITIES

All members of management are responsible for understanding our organization's commitment to this policy and ensuring this policy is carried out. Supervisors are responsible for immediately reporting and responding to a discrimination complaint. It is critical that any reference to discrimination, whether formal or informal, is taken seriously.

QUESTIONS AND COMPLAINTS

Questions regarding the administration of this policy, or a complaint regarding Equal Employment Opportunity, should be directed to the employee's supervisor or to the Parish Leadership. The organization will promptly and thoroughly investigate all complaints. Confidentiality will be maintained to the greatest degree possible, consistent with the organization's obligation to thoroughly investigate the complaint.

If not satisfied with the resolution, an employee may pursue an appeal. Appeals will generally follow the steps outlined in the Open Communication policy.

NO RETALIATION

It is the policy of the Episcopal Diocese that any employee who makes or participates in the investigation of a discrimination complaint will not be retaliated against in any way. Employees who feel that they have been retaliated against for such activity should immediately contact Parish Leadership and/or the Bishop's Office.

2.02 SEXUAL HARASSMENT

It is the policy of the Episcopal Diocese that employees are provided a work environment free from all forms of discrimination, including sexual harassment. Sexual harassment refers to sexually oriented behavior that is not welcome, that is personally offensive and interferes with our work effectiveness. Sexually oriented acts or sex-based conduct have no legitimate business purpose. All employees and non-employees conducting business in our workplace must refrain from engaging in sexual harassment.

DEFINITION

Sexual harassment includes, but is not limited to: unwelcome sexual advances, requests for sexual favors and/or other verbal, non-verbal or physical conduct of a sexual nature where: submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating or hostile environment. Specific examples of sexual harassment include, but are not limited to: vulgar remarks, pinching, jokes, teasing, and uninvited touching.

REPORTING A CLAIM

Employees who believe they have been the subject of sexual harassment should report their complaint immediately to their supervisor or Parish Leadership. The Diocese will promptly and thoroughly investigate all complaints.

Employees should refer to the "Policies and Procedures for Developing Safer Churches" and "Reducing Sexual Misconduct and Policies and Procedures for Responding to Allegations of Misconduct" located on the Diocesan website for further details on reporting a claim and the sexual harassment process.

MANAGEMENT RESPONSIBILITIES

Supervisors who observe an employee violating this policy should take immediate action to stop the misconduct. Supervisors who receive a complaint of sexual harassment or obtain knowledge of sexual harassment by other means must immediately notify the Parish Leadership, even if no complaint has been made by an employee, or even if the employee complaining has requested that no action be taken. A prompt and appropriate investigation, if necessary, will take place.

Supervisors are also responsible for ensuring that the organization is free from sexual harassment even if it is committed by individuals outside the organization. This may include, but is not limited to: church members, vendors, independent contractors, visitors, or any other individual conducting business in the workplace. Supervisors aware of this harassment are to notify Parish Leadership and/or Bishop's Office immediately so the Diocese can appropriately respond to the situation.

CONFIDENTIALITY AND RETALIATION

It is the policy of the Episcopal Diocese that any reporting employee or employee participating in the investigation of a sexual harassment complaint will not be retaliated against in any way. Complaints will be investigated promptly and confidentiality will be maintained to the greatest degree possible, consistent with our obligation to thoroughly investigate the allegation. Employees who feel that they have been retaliated against for reporting a complaint or participating in an investigation of a complaint should contact Parish Leadership and/or the Bishop's Office.

CORRECTIVE ACTION

If a harassment complaint is found to be valid, immediate and appropriate corrective action will be taken. Employees who violate this policy, including the provision against retaliation, will be subject to disciplinary action, up to and including termination. This determination will be based on all the facts of the case.

2.03 NON-HARASSMENT

The Episcopal Diocese is committed to maintaining a work environment free from all forms of unlawful harassment, and where the individual dignity of each employee is respected. Our organization prohibits unlawful harassment against anyone, for any reason, including, but not limited to: race, color, sex, age, disability, religion, citizenship, national origin, ancestry, military status or veteran status, marital status, sexual orientation, domestic violence victim status, predisposing genetic characteristics and genetic information, and any other status protected by law. All employees and non-employees conducting business in our workplace must refrain from engaging in unlawful harassment.

DEFINITION

The creation of an intimidating or hostile working environment, based on one or more of the above categories, constitutes unlawful harassment. Specific types of unlawful harassment include, but are not limited to:

- Physical harassment refers to pushing, hitting, or unwanted physical touching;
- Verbal abuse refers to verbal comments regarding, or made because of, an individual's membership in one of the categories listed above;
- Written harassment refers to derogatory or degrading written comments regarding, or made because of, an individual's membership in one of the categories listed above. Specific examples include, but are not limited to: e-mail, text messages, memos, notes, graffiti, other visual depictions or pictures; and
- Inappropriate, unwelcomed behaviors, such as whistling, not giving someone enough physical space, and blocking behaviors.

Unlawful harassment, whether it is sexual, physical, verbal or written in nature, is a form of employee misconduct which undermines the integrity of the employment relationship within our organization.

REPORTING A CLAIM

Employees who believe they have been the subject of unlawful harassment should report their complaint immediately to their supervisor or Parish Leadership. The Diocese will promptly and thoroughly investigate all complaints.

MANAGEMENT RESPONSIBILITIES

Supervisors who observe an employee violating this policy should take immediate action to stop the harassment. Supervisors who receive a complaint of harassment or obtain knowledge of harassment by other means must immediately notify Parish Leadership, even if no complaint has been made by an employee, or even if the employee complaining has requested that no action be taken. A prompt and appropriate investigation, if necessary, will take place.

Supervisors are also responsible for ensuring that the organization is free from unlawful harassment by individuals outside the organization. This may include, but is not limited to: members, vendors, independent contractors, visitors, or any other individual conducting business in the workplace. Supervisors aware of this harassment are to notify Parish Leadership immediately so the Diocese can appropriately respond to the situation.

CONFIDENTIALITY AND RETALIATION

It is the policy of the Episcopal Diocese that any reporting employee or employee participating in the investigation of a harassment complaint will not be retaliated against in any way. Complaints will be investigated promptly and confidentiality will be maintained to the greatest degree possible, consistent with our obligation to thoroughly investigate the allegation. Employees who feel that they have been retaliated against for reporting a complaint or participating in the investigation of a complaint should contact the Parish Leadership and/or the Bishop's Office.

CORRECTIVE ACTION

If a harassment complaint is found to be valid, immediate and appropriate corrective action will be taken. Employees who violate this policy, including the provision against retaliation, will be subject to disciplinary action, up to and including termination. This determination will be based on all the facts of the case.

2.04 CODE OF ETHICS

The Episcopal Diocese's reputation is dependent upon the good judgment, ethical standards and personal integrity of every individual in our organization. As our organization continues to grow, it is of paramount importance that we always conduct our day-to-day activities in an ethical and responsible manner.

CONFLICT OF INTEREST

Employees must refrain from participating in any activity or business venture which could conflict with the interests of the Episcopal Diocese. Specifically, employees may not accept personal payment or other benefits from any supplier or member of the organization, nor should they take any action as a representative of the organization for personal gain.

PROPRIETARY INFORMATION

In working at the Episcopal Diocese, employees will learn things about our organization and our members' organizations which are proprietary or confidential. Every employee of the Diocese has a professional and ethical responsibility to treat this information as privileged and to ensure such information is not improperly or accidentally disclosed. Except as required in the performance of their duties for the organization, employees may not use or disclose any proprietary information such as operational plans, financial data, management information systems, to anyone who does not work for us or have a need to know the information.

Upon termination of employment, employees must return all Diocesan property and all copies of documents, notes, computers, computer disks, flash drives, and other repositories containing pricing lists, invoices, marketing methods, management information systems, financial information, employee lists, and all other information that is not general public knowledge relating to the Episcopal Diocese, and not retain any duplicates.

RECEIVING AND GIVING GIFTS

Substantial gifts, favors or excessive entertainment from church members or suppliers are strictly prohibited. A gift, favor or entertainment is considered substantial or excessive if it might influence an employee's business relationship with the donor.

EMPLOYEE RESPONSIBILITY

Employees are responsible for promptly advising Leadership of any violation or suspected violation of these guidelines on conflicts of interest, proprietary information, or gift giving and receiving, or any violation or suspected violation of any other Diocese policy. Violations of this policy are subject to disciplinary action, up to and including termination of employment and, if applicable, legal action. The organization protects those employees from retaliation who in good faith report possible inappropriate, unprofessional, illegal or unethical actions. Any employee who believes they have been retaliated against in violation of this policy should notify the supervisor immediately. Individuals who engage in any retaliation in contravention of this policy are subject to disciplinary action in accordance with the organization's Standards of Conduct policy.

ADDITIONAL INFORMATION

Employees should meet with their supervisor or Leadership if they have questions regarding the application of this policy.

2.05 INDIVIDUALS WITH DISABILITIES

The Episcopal Diocese fully supports the Americans with Disabilities Act (ADA) and New York State Human Rights Laws which make it unlawful to discriminate in employment against a qualified individual with a disability. The Diocese prohibits discrimination against employees and applicants with disabilities in all aspects of employment. Our organization's commitment to this policy includes making reasonable accommodations to persons with disabilities to enable them to perform the essential functions of their jobs, unless to do so poses an undue hardship on the organization or a direct threat to health or safety.

OUR COMMITMENT

The employee or applicant should make the organization aware of his or her need for an accommodation by notifying the supervisor. The Diocese will work with each individual to define his or her job-related or application-related needs and to try to accommodate those needs. Employees may not refuse to work alongside co-workers who have disabilities.

QUALIFIED INDIVIDUALS WITH DISABILITIES

Qualified individuals with disabilities are defined as individuals with disabilities who can perform the essential functions of the job in question with or without reasonable accommodation. The term disability is defined by applicable law.

REASONABLE ACCOMMODATION

Reasonable accommodation is any change or adjustment to a job, the work environment or the way things usually are done that enables a qualified individual with a disability to perform the essential functions of the job and that does not pose an undue hardship for the organization or create a direct threat to health or safety.

DETERMINING APPROPRIATE ACCOMMODATIONS

Frequently, when a qualified individual with a disability requests a reasonable accommodation, the appropriate accommodation is easily agreed upon. The individual may recommend an accommodation based on his or her life or work experience. The ultimate decision as to whether a particular accommodation will be made rests with the Diocese. When the appropriate accommodation is not obvious, the organization may assist the individual in identifying one. If more than one accommodation will enable the individual to perform the job, the Diocese reserves the right to choose which accommodation it will make.

2.06 WHISTLEBLOWER PROTECTION

The Episcopal Diocese strives to protect its employees, members and community as best as possible. As a matter of policy and practice, as well as in compliance with various laws, we offer employees whistleblower protection when they report certain activities or make a complaint to management about a specific situation or occurrence in the workplace that may be unsafe, illegal, abusive or fraudulent. The complaint will be taken seriously and investigated to the fullest extent possible. Employees who make complaints of this nature will be protected from retaliation.

MAKING A COMPLAINT

If an employee believes that a workplace activity or situation is unsafe, illegal, abusive or fraudulent, he/she should bring the problem to the attention of the supervisor and/or appropriate Leadership. The Episcopal Diocese will, if appropriate, conduct a prompt and thorough investigation of the situation. Employees may report problems anonymously, but should be aware that this may hamper the Episcopal Diocese's ability to obtain further details and/or ask follow-up questions during its investigation.

Problems that are covered by other the Episcopal Diocese complaint procedures (e.g., employment discrimination, harassment) must be reported in the manner and to the individual(s) set out in those specific procedures, and not under this policy.

NO RETALIATION

Employees who make a complaint in good faith will not be retaliated against or penalized in any manner. The employee's identity, if made known to the Episcopal Diocese, will be protected to the greatest extent possible, consistent with the need to investigate and remedy the situation. Any employee who believes he or she has been retaliated against in violation of this policy should notify the Bishop's Office immediately.

SECTION THREE

EMPLOYEE RELATIONS

3.01 RECRUITMENT & PLACEMENT

The Diocese recruits and selects individuals for lay staff positions on the basis of merit, qualification and competency without regard to all legally protected classes, including, but not limited to: race, color, age, sex, disability, religion, citizenship, national origin, ancestry, military status or veteran status, marital status, sexual orientation, domestic violence victim status, predisposing genetic characteristics and genetic information, and any other status protected by law. All job offers are contingent upon the applicant providing proof of legal authorization to work at the organization.

JOB POSTING

The hiring process begins with posting an available open position, which can vary depending on location. The posting will include a current job description and qualifications required. The hiring supervisor will identify qualified applicants, conduct interviews and make a hiring decision.

HIRING PROCESS

The hiring procedure includes recruitment, interviewing, and reference checks of all applicants considered for the opening.

All offers of employment must be in writing and are contingent upon:

- Signed acceptance of the offer letter;
- Satisfactory completion of background check(s);
- Authorization to work in the United States; and
- Signed acceptance of the employee handbook.

3.02 EMPLOYMENT CLASSIFICATIONS

Employees of our organization are employed based on the classifications detailed below. The Episcopal Diocese offers different employment classifications in order to meet staffing and business requirements and accommodate employee needs and schedule preferences.

FULL-TIME

Employees in this category are regularly scheduled to work at least 40 hours per week and receive benefits based on position, length of service and scheduled hours.

PART-TIME

Employees in this category are regularly scheduled to work less than 40 hours per week and are eligible for certain benefits as stated to them in writing based on their position and length of service.

TEMPORARY

Employees in this category perform a function for a specified period of time and the length of their employment is limited due to the nature of the job or availability of the individual. These employees receive statutory benefits only.

FLSA CLASSIFICATIONS

Under the Federal Fair Labor Standards Act (FLSA), all positions, regardless of employment classification, are classified as either exempt or non-exempt for overtime and minimum wage requirements based on the nature of the job duties and amount of wages.

EXEMPT EMPLOYEES: The FLSA provides an exemption from both minimum wage and overtime pay for employees employed as executive, administrative, professional, outside sales and computer employees.

NON-EXEMPT EMPLOYEES: Under the FLSA, non-exempt employees must be paid at least the federal minimum wage for all hours worked, and overtime pay at one and one-half the regular rate of pay for all hours worked over 40 hours in a workweek.

3.03 ORIENTATION PROGRAM

People are the core of our mission at the Episcopal Diocese. To help get new employees off to a good start in our organization, an orientation program will be scheduled by the direct supervisor during the first week on the job.

DURING THE FIRST FEW DAYS

An appointment will be scheduled for new employees to meet with the Benefits Administrator or supervisor, who will explain benefits, answer questions and help employees complete the payroll and benefit forms if applicable.

The supervisor gives the new employee a tour of our facility/property, introduces him or her to co-workers, explains general expectations for performance and behavior, and begins training him or her on specific job requirements, equipment and safety procedures. It is important for employees to read our handbook, as it will answer many questions about our organization and its personnel policies.

EMPLOYEE RESPONSIBILITIES

During the first few days of employment, new employees are expected to promptly and accurately complete a number of employment-related forms and documents. The supervisor is available to answer questions or to assist new employees with any procedures, subjects, or issues affecting their job or employment relationship.

THROUGHOUT THE EARLY WEEKS

Throughout the first few weeks, employees will be given on-the-job training. During this time employees should gain a full understanding of their job responsibilities and our organization's standards for their position. Supervisors are anxious to help in any way they can, so employees should not hesitate to ask questions.

Employees are required to complete the "Safe Church" training within the first 30 days of employment.

3.04 STANDARDS OF CONDUCT

In order for our organization to operate efficiently and safely, it is necessary for all employees to observe the policies and procedures governing our work environment. If an employee's conduct interferes with the orderly and efficient operations of a department, disciplinary measures will be taken, up to and including termination of employment.

INITIAL DISCUSSIONS

Before taking corrective action, the supervisor will meet with the employee to explain why the need for corrective action is warranted.

Grounds for corrective discipline, up to and including immediate termination, may include, but are not limited to:

- Violation of Diocesan policies or safety rules;
- Disrespectful conduct towards other employees, members, or visitors;
- Insubordination;
- Poor performance;
- Audio or video recording of others in the workplace without their permission;
- Excessive absenteeism and/or tardiness;
- Possession of firearms or other weapons;
- Theft or dishonesty;
- Willful destruction of Diocesan property;
- Physical, verbal or sexual harassment of employees, suppliers, members or guests;
- Possession, use or sale of illicit drugs or alcohol on organization property;
- Reporting to work under the influence of drugs or alcohol; or
- Any other misconduct which is not otherwise protected concerted activity.

CORRECTIVE ACTION

Depending upon the severity of the matter, disciplinary measures may include counseling, verbal warning, written warning, suspension, demotion, transfer, or termination. The appropriate leadership will determine the appropriate corrective action and does not guarantee that one form of action will necessarily precede another.

3.05 WORKING HOURS

Due to the nature of the organization, hours of operation vary per day based on location. Time records are kept for each non-exempt employee showing the hours worked each week.

WORKWEEK

Because of the nature of our organization, workdays and hours may vary with the job.

MEAL BREAK

At least a 30-minute, unpaid meal break is standard, unless otherwise stated for an employee's position and/or department. Supervisors are responsible for the scheduling of meal breaks.

NURSING MOTHERS' PROTECTION

Nursing mothers may receive break time each day to express breast milk for up to three years after the birth of a child. Meal periods may also be used for this purpose. A nearby private area or room, which is not a bathroom, will be provided in which the employee may express breast milk. No employee will be penalized or retaliated against for choosing to express breast milk. Employees needing a private area for expressing breast milk should see their supervisors or Parish Leadership for more details.

TIME RECORDS

Non-exempt employees are responsible for recording their hours worked and any absences. Time recordkeeping varies based on the location and employees should speak directly with their supervisor on how to keep track of their hours worked.

3.06 PAY PRACTICES

The Episcopal Diocese is committed to a policy of fair and equitable compensation for work well done.

WAGE AND SALARY PROGRAM

The Diocese assigns wage rates to each job based on the job requirements and the economic conditions of the organization and the community.

Employees will be notified annually of their pay rate, regular payday, and related information.

MERIT INCREASES

It is the policy of the Diocese to fairly compensate all employees based on the local market compensation practices for comparable positions, as well as the performance of the individual in the position. Staff positions are periodically reviewed and compared with similar positions in other non-profit organizations in the community using market compensation data, reviewed by the HR Committee and approved by the Bishop. Each year, the HR Committee of the Diocese reviews any proposed changes to salary ranges and/or benefits and makes appropriate recommendations to the Bishop and Diocesan Council to assist in the formulation of the annual operating budget.

Annual salary reviews for Diocesan Staff are conducted using the following process:

- Annual salary adjustments are recommended by each supervisor, based on both the employee's annual performance rating and the employee's current salary relative to the mid-point of the salary range for each position.
- All recommended salary changes are reviewed by the CFO and must be approved by the Bishop before being communicated to the employee.
- Salary increases are effective July 1st.
- Any change in salary due to a current employee taking on a new position, will be effective on the first of the month that the change is effective.
- Employees that are new to their position are eligible for the annual salary review at any point after six months in the new position.
- All salary increases are subject to budget availability.
- No increase to salary will be approved if performance is rated as "needs improvement or below expectations."
- Any recommended salary increase greater than 9% will be reviewed by the HR Committee and must be approved by the Bishop.

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- Any salary below or above the approved salary range must be reviewed by the HR Committee and approved by the Bishop.

PAYDAY

Employees will be informed upon hire of the pay frequency and pay day, as it varies based on location. Generally, if payday falls on a holiday, employees ordinarily will be paid on the day before the holiday.

DIRECT PAYROLL DEPOSIT

Employees may have the option of being compensated through direct deposit. The supervisor answers questions regarding direct deposit.

GARNISHMENTS

A court may order the organization to garnish amounts directly from the employee's paycheck. The Diocese must withhold the amount indicated in the garnishment from the employee's paycheck in accordance with federal and state law.

TRAVEL TIME

Non-exempt employees required to travel for work-related reasons are paid in accordance with federal and state wage and hour laws. For more information see the supervisor.

TRAVEL/EXPENSE REIMBURSEMENT

Employees will be reimbursed for pre-authorized expenses incurred on behalf of the Episcopal Diocese. For more details, please refer to the detailed Travel & Expense Reimbursement Policy & Procedures provided in Appendix A.

OVERPAYMENTS

In the event an employee is overpaid due to a mathematical or clerical error, the Diocese will proceed to recoup the overpayment as outlined by NYS law. For more information, see the supervisor.

POLICY FOR DEDUCTIONS FROM WAGES

It is our policy to comply with the salary basis requirements of the FLSA. Therefore, we prohibit all supervisors from making any improper deductions from the salaries of exempt employees or from the wages of any other employee that are not consistent with state wage and hour laws. The organization does not allow deductions that violate the FLSA or state wage and hour laws.

PERMITTED DEDUCTIONS FROM EXEMPT EMPLOYEE'S PAY

Deductions from pay are permissible for exempt employees, for example, under the following circumstances:

- For absences from work for one or more full days for personal reasons other than sickness or disability;

- For absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
- For required local, state or federal withholding taxes;
- To offset amounts employees receive as jury or witness fees, or military pay; or
- For unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions.

In addition, the organization is not required to pay the exempt employee's full weekly salary:

- For time not worked in the initial or terminal week of employment;
- For penalties imposed in good faith for infractions of safety rules of major significance; or
- For unpaid leave taken under the Family and Medical Leave Act (if applicable).

In the above three circumstances, either partial-day or full-day deductions may be made.

REPORTING IMPROPER DEDUCTIONS

Employees should report improper deductions immediately to their direct supervisor or to appropriate leadership. Employees will not be retaliated against for making a complaint. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

3.07 OVERTIME

Our organization occasionally requires longer-than-average hours of its employees in order to meet the needs of our members. It is necessary and requested that each of us comply with overtime needs so that we may meet the needs of our members.

OVERTIME RATES

Non-exempt employees are paid one and one-half times their regular hourly rate of pay for overtime hours worked in excess of 40 hours in a workweek.

For purposes of calculating overtime, the workweek varies per location, employee should speak directly with their supervisor to find out what is the defined workweek is.

AUTHORIZATION

All overtime must be authorized in advance by the supervisor.

DEFINITION OF HOURS WORKED

Only actual hours worked are counted when calculating overtime.

VIOLATIONS

Violations of this policy will be subject to disciplinary action, up to and including termination.

3.08 POSITION DESCRIPTIONS

A position description is written for each position in our organization and maintained on file in the Church Office. The purpose of these position descriptions is to define job standards and essential functions and physical requirements, as well as marginal or peripheral duties and reporting relationships for the various positions throughout our organization.

EMPLOYEE ACCESS TO POSITION DESCRIPTIONS

Employees are provided with a copy of their position description at the time of hire and whenever accountabilities change significantly.

USE OF POSITION DESCRIPTIONS

Position descriptions are designed to promote a better understanding of the total job for both employees and their supervisors. Supervisors will refer to position descriptions during the recruitment and hiring process, as well as during performance appraisal discussions.

UPDATING POSITION DESCRIPTIONS

Position descriptions are updated periodically to reflect changes in job duties and organizational structure. Employees should schedule time to meet with their supervisor if they believe their position description needs updating or if they have questions.

3.09 PERFORMANCE PROGRESS & APPRAISAL PLAN

To help employees grow in their jobs, supervisors will evaluate an employee's performance, provide feedback on a regular basis and complete an annual, written appraisal. The purpose of this performance appraisal plan is to provide a basis for better understanding between employees and their supervisors with respect to job performance, potential and development within the Diocese.

MEETING WITH YOUR SUPERVISOR

Performance is evaluated by immediate supervisors. Evaluations should not take the place of informal discussions between employees and their supervisors regarding performance, but rather should provide regular opportunities to discuss the job relationship in depth.

The process for establishing individual goals and reviewing performance has several purposes:

- To clarify each individual's role.
- To establish mutually agreed upon goals and priorities.
- To review progress on goals and provide regular feedback on performance.
- To provide an equitable basis for annual salary review.
- To aid in employee development.

FREQUENCY

Supervisors and employees are encouraged to meet on a regularly scheduled basis to review roles, goals and performance. Each review includes both a self-evaluation and supervisory feedback. Annually, supervisors will provide a written performance evaluation and rating of overall performance for review and discussion with each employee. Both the employee and Supervisor sign the annual review to acknowledge that the document was reviewed and discussed. Signature of the employee does not necessarily imply complete agreement with the evaluation and/or rating. Supervisors must review all employee performance evaluations with their manager prior to employee discussions.

Performance appraisals are a review of the employee's work performance; not necessarily a review of pay rate. The Episcopal Diocese addresses merit increases separately in accordance with policy. For further information, please refer to the Pay Practices Policy.

FORMS

Performance appraisals are completed on forms designed for this purpose. The information on the form is to be the basis for discussion between employees and their supervisors. Employees may obtain a sample of this form from their supervisors.

3.10 ATTENDANCE

Each employee's position and the work that he or she does at the Episcopal Diocese is important. It is essential that employees be at work on time in order for us to serve our members and run our organization in an efficient manner.

PUNCTUALITY

Although individual schedules may vary, employees should be at their work area on time, ready to work. Punctuality is important. Consistent, unexcused tardiness, as determined by the organization, is considered a performance issue and is subject to disciplinary action, up to and including termination of employment.

EMPLOYEE RESPONSIBILITIES

An employee who is going to be late or absent from work must personally call the supervisor before the employee's scheduled start time. If the Episcopal Diocese is closed, employees may leave a message.

An employee absent for three (3) consecutively scheduled days without contacting his or her supervisor will be considered to have voluntarily resigned from their position.

3.11 OPEN COMMUNICATION

Our organization is committed to the principle of open communication between employees and their supervisors concerning any aspect of the employment relationship.

WORKING TOGETHER, WE CAN FIND A SOLUTION TO ANY PROBLEM

In every organization there are honest differences of opinion about working conditions, discipline, policies and other work-related matters. Employees should not keep concerns to themselves and are encouraged to communicate their issues to management via the steps outlined below. Problems that are unknown cannot be solved.

FIRST STEP

Employees who have a problem, complaint, question or suggestion about any aspect of our organization are encouraged to discuss the issue with their immediate supervisor. We hope that most matters can be satisfactorily resolved by such discussions.

SECOND STEP

Employees who are not satisfied with the outcome of this first session, or are not comfortable raising a particular issue with their supervisor, are welcome to discuss the situation with local Leadership. The leader will meet with the employee and/or his or her supervisor and attempt to reach a satisfactory solution.

THIRD STEP

The resolution to a problem, complaint, question or suggestion may be appealed to the Bishop's Office. The Bishop's Office's decision on this appeal is final.

3.12 SHOULD YOU LEAVE US

To ensure fairness and consistency throughout our organization, terminations are handled in accordance with the following provisions.

TYPES OF TERMINATIONS

Termination refers to either voluntary resignations initiated by the employee or involuntary terminations initiated by the organization.

RESIGNATIONS

Employees resigning voluntarily are expected to give a minimum of two weeks advance notice in writing to their supervisor so that the proper replacement can be found. An employee's consideration in this situation will be viewed favorably by management should the employee reapply for employment with our organization at a later date.

SEVERANCE PAY

Full-time employees whose position is eliminated due to layoff or reorganization are eligible for severance pay. Severance pay is calculated at the rate of one week's pay for each year of service, with a minimum of two weeks of pay and a maximum of three months of pay. Severance pay includes any applicable housing and or SECA allowance. The Diocese does not provide severance pay in the event an employee voluntarily leaves a position, retires or is terminated for cause.

UNUSED VACATION TIME

Employees who resign voluntarily giving the required advance notice will be paid for earned but unused vacation time. Earned but unused vacation time will not be paid to employees who resign with less than the required advance notice or to employees who are terminated by the organization.

UNUSED SICK/PERSONAL DAYS

Earned but unused sick/personal days are not paid upon termination.

HEALTH INSURANCE

Premiums for health insurance will be paid through the last day of the month in which the termination of employment occurred. Employees who have health insurance with our organization may have the option of continuing these benefits under the Extension of Benefits Program. Refer to the official notice for further information.

DENTAL INSURANCE

Premiums for dental insurance will be paid through the last day of the month in which the termination of employment occurred. Employees who have dental insurance with our organization may have the option of continuing these benefits under the Extension of Benefits Program. Refer to the official notice for further information.

FLEXIBLE SPENDING ACCOUNT(S)

In accordance with the provisions of the Extension of Benefits Program, employees may have the option of continuing participation in the medical FSA plan for a period of time specified by law after employment ends. If an employee chooses the continuation of medical FSA benefits, the employee may obtain reimbursement of eligible medical expenses incurred after termination of employment, provided the employee continues to pay contributions to the plan plus a small administrative charge. Refer to the official notice for further information on benefits continuation.

LIFE INSURANCE

Coverage ceases on the last day of the month in which the termination of employment occurred. Employees may have the option of converting their group insurance policy to an individual policy. Contact the Benefits Administrator for more details.

RETIREMENT INCOME-CHURCH PENSION FUND

Upon termination of employment contact your Benefits Administrator for more details about defined benefit, defined contribution and the 403(b) plans.

DIOCESE PROPERTY

Upon termination, employees are expected to return all organization-issued items, including, but not limited to: keys, tools, uniforms, employee handbooks, manuals, computers, cellular phones, computer disks, flash drives, and client information and may not retain any copies of Diocese information in any form.

SECTION FOUR

BENEFIT PROGRAMS

4.01 HOLIDAYS

The Episcopal Diocese observes the following holidays each year.

OBSERVED HOLIDAYS

Martin Luther King Jr. Day
Presidents' Day
Good Friday
Easter Monday (following Easter)
Memorial Day
Independence Day
Labor Day
Columbus Day
Monday following the Diocesan Convention
Veterans Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve Day through New Year's Day

Please note individual parishes may have different holidays; employees should verify with their supervisor

4.02 VACATIONS

The Dioceses provides eligible employees with paid vacation leave to give them time off for rest and relaxation.

ELIGIBILITY

Vacation periods are calculated based upon the calendar year January to December. Employees are provided with 15 days of annual vacation that is accrued monthly at the rate of 1.25 days of vacation for each month on payroll. Part-time employees scheduled to work at least 1,000 or more annually receive vacation on a pro-rated basis. Unused vacation days do not carry over to the next calendar year.

SCHEDULING

Every effort will be made to permit employees to take their vacation at the time requested. However, due to the nature of our organization, coordination within scheduling is essential.

Employees who change their vacation request later in the year must receive approval from the supervisor. Approval will depend on the department's workload and the number of people who are scheduled for vacation at that time.

DEFERRAL OF VACATION TIME

Vacation may not be carried over from one year to the next.

VACATION PAY

An employee's vacation pay is based on the number of hours he or she is regularly scheduled to work at his or her straight time hourly rate. Part-time employees will receive vacation on a pro-rated basis.

EXCESS LEAVE AND UNPAID VACATION

Leave taken in excess of an employee's allotment will be unpaid and must be approved in advance by his or her supervisor. All vacation must be used before any unpaid time is granted.

PAY IN LIEU OF VACATION

Employees may not receive pay in lieu of taking the actual time off.

VACATION PAY AT TERMINATION

Employees who resign voluntarily, giving at least two weeks advance notice, will be paid for earned but unused vacation time. Earned but unused vacation time will not be paid to employees who resign with less than the specified advance notice or to employees who are terminated by the organization.

4.03 SICK/PERSONAL DAYS

Employees who are absent due to personal matters, illness or injury may be eligible to be paid through our organization's sick/personal day plan. They also may be eligible for disability insurance or Workers' Compensation insurance benefits.

SICK/PERSONAL DAY ELIGIBILITY

Full-time employees and part-time employees (on a pro-rated basis) are eligible for 12 sick/personal days annually that is accrued monthly at the rate of 1 day per month. Sick/personal days are calculated based upon the calendar year.

USE OF SICK/PERSONAL DAYS

Sick/personal days may be used in cases of employee injury or illness, for doctors' appointments, personal matters or death of a family member. Sick/personal days may not be used as vacation time.

EMPLOYEE'S RESPONSIBILITY

An employee who is going to be late or absent from work must personally call the supervisor before the employee's scheduled start time. If the Episcopal Diocese is closed, employees may leave a message.

An employee absent for three (3) consecutively scheduled days without contacting his or her supervisor will be considered to have voluntarily resigned from their position.

CARRY OVER OF SICK/PERSONAL DAYS

Sick/personal days may not be carried over from one year to the next.

SICK/PERSONAL DAYS AT TERMINATION

Unused sick/personal days are not paid at termination.

4.04 HEALTH INSURANCE

To aid employees in covering the cost of medical care, our Diocese offers a health insurance program. Resolution A177, passed at General Convention in 2009, requires Dioceses to establish a cost-sharing policy that is the same for both clergy and lay employees that are scheduled to work 1,500 or more hours annually. Employers must be in compliance by January 1, 2013. In 2012, the 77th General Convention reaffirmed that all parishes and missions are to be enrolled in the Episcopal Church Medical Trust by December 31, 2012. The implementation of this resolution was amended to state: “parity in cost-sharing shall be achieved between clergy and lay employees as soon as possible, but no later than December 31st, 2015.

ELIGIBILITY

Employees who are scheduled to work 1,500 or more hours annually are eligible to join our group health insurance plan on the first of the month following their date of hire. Employees who enroll in our group health insurance plan will also automatically be enrolled in our pre-tax premium plan.

COST

To assist with the escalating cost of health insurance, our organization may pay a portion of the premium, the remainder to be paid by the employee through pre-tax dollars via payroll deduction. When you become eligible for coverage, you will receive material which more fully describes your insurance benefits including information on deductibles, co-payments etc.

As a part of our benefits review process, the cost of health insurance is evaluated periodically and the ratio of employer/employee contribution is subject to change.

HEALTH INSURANCE COVERAGE AT TERMINATION

Premiums for health insurance will be paid through the last day of the month in which the termination of employment occurred. Employees who have health insurance with our organization may have the option of continuing these benefits under the Extension of Benefits Program. Refer to the official notice for further information. If you have not received a notice or cannot locate it, please contact the Benefits Administrator.

This is intended as a brief introduction to the Health Insurance Plan. A more thorough explanation of the plan is contained in the Summary Plan Descriptions, plan documents, and insurance policies available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply. The Episcopal Diocese and, if applicable, the benefit plan administrators or insurance companies, reserve the maximum discretion and right permitted by law to administer and interpret the health plan, as well as to amend, modify or terminate the plan at any time for any reason.

January 2015

4.05 DENTAL INSURANCE

Our organization recognizes that regular dental care is essential to good health. With this in mind, we offer eligible employees a dental insurance program designed to provide preventive and remedial dental care.

ELIGIBILITY

Full-time and part-time employees are eligible to join our group dental insurance plan on the first of the month following their date of hire. Employees who enroll in our dental insurance plan will also be automatically enrolled in our pre-tax premium plan.

BENEFITS

This plan is designed to encourage preventive and remedial dental care. Covered services are detailed in the plan booklets provided by the insurance carrier. A copy of this booklet is available from the Benefits Administrator.

COST

Our organization may assist employees with the cost of this insurance by paying a portion of the premium for employee, two-person, or family coverage.

As a part of our benefits review process, the cost of dental insurance is evaluated periodically and the ratio of employer/employee contribution is subject to change.

DENTAL INSURANCE COVERAGE AT TERMINATION

Premiums for dental insurance will be paid through the last day of the month in which the termination of employment occurred. Employees who have dental insurance with our organization may have the option of continuing these benefits under the Extension of Benefits Program. Refer to the official notice for further information.

This is intended as a brief introduction to the Dental Insurance Plan. A more thorough explanation of the plan is contained in the Summary Plan Description, plan documents, and insurance policies available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.06 VISION CARE PLAN

To aid employees in covering the cost of visionary care, our organization offers a vision plan.

ELIGIBILITY

Employees who are scheduled to work 1,500 or more hours annually are eligible to join our vision care plan on the first of the month following their date of hire. Employees who enroll in our group vision care plan will also automatically be enrolled in our pre-tax premium plan.

COST

To assist with the escalating cost of vision, our company currently pays a portion of the premium for employee, two-person or family.

As a part of our benefits review process, the cost of the vision care plan is evaluated periodically and the ratio of employer/employee contribution is subject to change.

VISION COVERAGE AT TERMINATION

Premiums for the vision plan will be paid through the last day of the month in which the termination of employment occurred. Employees who have health insurance with our company may have the option of continuing these benefits under the Extension of Benefits Program. Refer to the official notice for further information.

This is intended as a brief introduction to the Vision Plan. A more thorough explanation of the plan is contained in the Summary Plan Descriptions, plan documents and insurance policies available from the Benefits Administrator or employees can access it from the Employee Portal. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.07 PRE-TAX PREMIUM PLAN

Employees of the Episcopal Diocese may participate in our pre-tax premium plan. The advantage of a pre-tax premium plan is that it allows employees to pay for certain insurance benefits on a pre-tax basis.

ELIGIBILITY

All employees who enroll in the health insurance plan and/or dental insurance plan are eligible to join our pre-tax premium plan.

BENEFITS

Our pre-tax premium plan allows employees to save taxes on the money they pay toward health and dental insurance. Under this plan employee premiums are deducted from gross pay before taxes are deducted. By reducing gross wages, employees pay fewer taxes on the money that they earn.

ENROLLMENT

Eligible employees who enroll in our group health or dental insurance programs will automatically be enrolled in the pre-tax premium plan.

CHANGES IN BENEFIT ELECTIONS

Generally, after signing the pre-tax premium plan enrollment form, employees may not change their benefit plans until the beginning of the next plan year. An eligible employee may make a mid-year election change, however, upon the occurrence of certain qualifying events, provided the change is made on account of, and consistent with, such event. The qualifying events for a mid-year election change can include:

- Certain significant changes in health plan coverage or costs;
- Certain changes in family status; or
- Certain changes in the employment status of the employee or his or her spouse.

A complete list of the qualifying events for a mid-year election change can be found in the Summary Plan Description.

This is intended as a brief introduction to the pre-tax premium plan. A more thorough explanation of the plan is contained in the Summary Plan Description, plan documents, and insurance policies available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.08 FLEXIBLE SPENDING ACCOUNT

Employees of the Episcopal Diocese may participate in our Flexible Spending Account (FSA). The advantage of an FSA is that it allows employees to set aside part of their salary before taxes in order to pay for qualified medical and dependent care expenses.

ELIGIBILITY

All employees are eligible to participate in the FSA plan on the first of the month following their date of hire.

BENEFITS

An FSA allows employees to save taxes on the money they pay toward certain dependent care expenses and unreimbursed dental, vision, and medical care expenses. With the FSA, employees may designate how much of their salary will be used to pay for these benefits during the year. This amount automatically is deducted from the employee's paycheck each pay period. The advantage of this program is that the employee's designated amount is deducted from their gross pay before taxes are deducted. By lowering gross wages, employees pay fewer taxes on the money that they earn.

ENROLLMENT

To participate in the FSA, employees must designate the deduction amount for each pay period and the annual maximum amount of deferral during open enrollment before the plan year begins. It is important that employees budget their projected benefits expenses carefully. New employees may participate in the FSA for the current plan year if they enroll within 30 days of their hire date.

ACCOUNT MAXIMUMS

The maximum amount employees may defer per plan year is as follows:

- \$2,500 for out-of-pocket medical, dental, and vision care expenses incurred during the plan year; and
- \$5,000 for qualified dependent care expenses incurred during the plan year.

GRACE PERIOD AND RUN-OUT PERIOD

The FSA plan year begins on January 1st and ends on December 31st of each year. Following the end of the plan year, employees are provided with an additional 2 ½ months (January 1st through March 15th) in which an employee may incur and be reimbursed for claims. Any unused FSA funds at the end of the grace period are forfeited under the IRS's use-it-or-lose-it rule.

In addition, the run-out period extends to April 15th. This is a period for filing claims incurred anytime during the plan year, as well as claims incurred during the grace period mentioned above.

CHANGES IN FSA ELECTION

Employees may not change their FSA election until the beginning of the next plan year, unless one of the following events occurs, and provided that the change is made on account of, and consistent with, such event:

- Certain changes in the employment status of the employee or his or her spouse; or
- Certain changes in family status.

REIMBURSEMENT

Employees should submit claims directly to Benefit Resource, who administers the plan on behalf of the Diocese. Employees will then be reimbursed from their FSA account.

FSA ELIGIBILITY AT TERMINATION

In accordance with the provisions of the Extension of Benefits Program, employees may have the option of continuing participation in the medical FSA plan for a period of time specified by law after employment ends. If an employee chooses the continuation of medical FSA benefits, the employee may obtain reimbursement of eligible medical expenses incurred after termination of employment, provided the employee continues to pay contributions to the plan plus a small administrative charge. Refer to the official notice for further information on benefits continuation.

This is intended as a brief introduction to our Flexible Spending Account. A more thorough explanation of the FSA is contained in the Summary Plan Description and plan documents available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.09 HEALTH SAVINGS ACCOUNT

Employees of the Episcopal Diocese participating in our High Deductible Health Plan (HDHP) may participate in a Health Savings Account (HSA). The advantage of an HSA is that money going into the HSA is tax-free, earns interest tax-free, and is not taxed when withdrawn to pay for qualified medical, dental, and vision expenses.

ELIGIBILITY

Employees participating in our High Deductible Health Plan are eligible to participate in the HSA immediately upon hire. Employees participating in our Flexible Spending Account Plan are not eligible to participate in an HSA.

CONTRIBUTIONS

Our organization may provide an employer contribution into an HSA for eligible participants. Eligible employees may also contribute to their HSA.

The annual maximum deposit to an HSA is based on the federal tax-deductible limits on HSA contributions.

All HSA contributions become the property of the employee, regardless of the source of contributions. Funds deposited but not withdrawn each year will carry over into the next year. If an employee ends his or her HSA-eligible insurance coverage (e.g. because the employee ends participation in a High Deductible Plan or separates from service), the employee loses eligibility to deposit further funds but funds already in the HSA remain available for use for qualified expenses for the lifetime of the employee and his or her spouse.

ENROLLMENT

To participate in an HSA, please see your Benefits Administrator for the appropriate forms.

WITHDRAWALS

Individuals may withdraw all or a portion of their HSA funds at any time. The maximum amount an employee can withdraw is equal to the account balance at that time. Additional amounts can be withdrawn as funds become available to pay for qualified expenses.

Withdrawals for non-medical expenses are subject to income taxes as well as a 20% penalty. This tax treatment will apply to any amount of HSA withdrawals for which there is no proof that the funds were spent on a qualifying expense.

This is intended as a brief introduction to our Health Savings Account. A more thorough explanation of the HSA is available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and any official plan documents, the official plan documents will apply.

January 2015

4.10 EXTENSION OF BENEFITS PROGRAM

The Extension of Benefits Program is similar, but not identical, to the healthcare continuation coverage provided under Federal law known as Consolidated Omnibus Budget Reconciliation Act (COBRA) for non-church plans. Because the Plan is a church plan described under Section 3(33) of ERISA, the Plan is exempt from COBRA requirements¹⁰. Nonetheless, Employees and their enrolled dependents will have the opportunity to continue benefits for a limited time in certain instances when coverage through the EHP would otherwise cease. Employees who elect to continue coverage must pay for the coverage.

CONTINUATION COVERAGE ELIGIBILITY

The option to extend coverage depends on whether the individual was covered as an employee, spouse, domestic partner or dependent child. The maximum extension period depends on the type of termination event that applies.

- Employees who are terminated on or after January 1, 2011 are offered an extension of 36 months starting on the first day of the month following the termination event.
- Spouses and domestic partners whose coverage is terminated as a result of the employee's termination, the employee's death, divorce, legal separation or termination of a domestic partnership are offered the extension of 36 months starting on the first day of the month following termination.
- Dependent children whose coverage is terminated for any reason are offered an extension of up to 36 months starting on the first day of the month following the termination event. The extension will end after 36 months or on the last day of the calendar year in which the child turns the age of 30, whichever comes first.
- Seminarians who cease to be a Seminarian are offered an extension of 36 months starting on the first day of the month following graduation or other separation event.

Newly acquired dependents during an Extension of Benefits period are eligible for coverage under the extension, provided that the plan is notified within 30 days of the significant life event

¹⁰ Under Section 4980B9(d) of the Code of Treasury Regulation Section 54.4980 B-2, Q. and A. No. 4.

OPTIONS

The plan notifies individuals regarding their eligibility for the extension within five business days of receiving a termination notice from the Group Administrator. The notification includes an enrollment form and an invoice for contributions that are due, and an explanation of the monthly contributions and the duration of the extension. If the current plan is no longer available, an alternative option may be offered. The termination date is the last day of the month in which the separation event occurred.

Recipients of the extension of benefits offer have 21 calendar days to respond from the day the offer is mailed by the plan. Responses must include a payment to cover the contributions that are due. Otherwise, enrollment in the extension is considered declined.

Coverage in effect at the time of separation continues until the last day of the month in which the event occurs. Coverage under the Extension of Benefits program is effective the first of the month following the separation event so that there is no coverage gap between the termination date and enrollment in the extension.

The plan will maintain the coverage and invoice the individual directly, without the involvement of the Group Administrator. No conversion option is available at the end of the extension.

Coverage under the Extension of Benefits program will cease on the earliest of the following:

- The date that required monthly contributions to the plan are 60 days overdue;
- The date the member becomes Medicare eligible;
- The last day of the month of the extension of benefit period;
- The last day of the month after the individual submits a written notice to termination coverage (30 days' notice required);
- The date a Participating Group terminates participation in the plan (the Group Administrator will be notified by the plan of all individuals participating in the Extension of Benefits program);
- Upon death of a member; and/or
- The date the plan ceases to exist.

This policy is only a summary of your rights under the continuation coverage provisions of the law. Additional information regarding your rights is contained in the plan's general extension of benefits notice or can be obtained from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.11 LIFE INSURANCE

A group life insurance policy is provided for eligible employees. Accidental Death and Dismemberment coverage is included in this group policy.

ELIGIBILITY

All employees are eligible for this insurance coverage on the first of the month following their date of hire. To enroll, employees must complete the necessary forms and give them to the Benefits Administrator. The insurance policy will become effective after our organization has submitted the forms to the insurance organization and the insurance company has approved the organization.

AMOUNT OF COVERAGE

An employee's amount of life insurance coverage is equal to the amount of one times their annual salary, with a minimum of \$10,000 and a maximum of \$50,000, unless otherwise indicated in an agreement.

PREMIUM COST

The premium for this insurance is paid for by the employer.

The cost of any organization -paid life insurance coverage in excess of \$50,000 must be reported as income on the employee's IRS W-2 Form each year.

BENEFICIARY DESIGNATION

Employees enrolled in the life insurance benefit will be required to designate a beneficiary upon enrollment. Designations may be changed by written request at any time. Beneficiaries will be eligible to receive the full amount of the employee's life insurance coverage in the event of the employee's death in accordance with the terms of the plan.

LIFE INSURANCE

Coverage ceases on the last day of the month in which the termination of employment occurred. Employees may have the option of converting their group insurance policy to an individual policy. Contact the Benefits Administrator for more details.

This is intended as a brief introduction to the Life Insurance Plan. A more thorough explanation of the plan is contained in the Summary Plan Description, plan documents, and insurance policies available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.12 SOCIAL SECURITY

All employees are covered by this federal program, which is funded through payroll taxes known officially as the Federal Insurance Contributions Act (FICA) taxes.

BENEFITS

Social Security is an important benefit for employees and their families as it provides death, disability, and retirement benefits.

COST

The cost of this coverage is determined by law. The rates are subject to change in accordance with legislated amendments by Congress. The required amount of an employee's contribution will be deducted automatically from his or her paycheck.

ADDITIONAL INFORMATION

Questions regarding the Social Security program should be directed to the Social Security Administration, which has answers to many common questions on its website at www.ssa.gov. Questions regarding an individual's FICA or other payroll tax deductions should be directed to the supervisor.

SECA ALLOWANCE FOR ORDAINED STAFF

It is the policy of the Diocese to pay ordained clergy staff a Self-Employment Contributions Act (SECA) "SECA allowance" based on total salary (including housing) at the applicable SECA rate (currently 15.3%) for all full-time and part-time clergy staff.

4.13 RETIREMENT INCOME-CHURCH PENSION FUND

Ordained Employees (except clergy retired from the Church Pension Fund): All Employers must contribute 18% of “Total Assessable Compensation” (TAC), as defined by the Church Pension Fund (CPF), for eligible clergy, towards the clergy pension plan. These contributions also fund group life insurance, short term disability and Medicare supplemental coverage for clergy.

In addition to the defined benefit plan provided by CPF, clergy employees may participate in the RSVP plan (403-B) offered by the Church Pension Group (CPG).

Eligibility to participate in these plans begins immediately upon employment and ends on the last day of employment. All employer & employee contributions are subject to IRS regulations that may limit contributions to certain plans in any given year.

Lay Employees: Resolution A138 of the 2009 General Convention requires that all lay employees scheduled to work 1,000 hours or more annually must be provided with a lay pension plan benefit by January 1st, 2013. And, that these plans be administered and designed by The Church Pension Fund.

For defined contribution plans, A138 requires that the employer contribute not less than 5% of the employee’s compensation AND also match (on a dollar-for-dollar basis) not less than 4% of compensation. Therefore, an employee that contributes 4% of their own pay would receive another 9% from the employer, for a total contribution of 13%. This resolution forms the minimum requirement that applies to all employers within the Diocese of Rochester.

Historically the Diocesan policy recommended that employers (Parishes) contribute 12% of the employee’s salary, utilizing the Church Pension Fund (CPF) lay pension program.

Effective January 1st, 2015, the Diocese recommends that all employers contribute 8% of the employee’s salary as an “employer base contribution” and up to an additional 4% “employer matching contribution”, for a total of 12% maximum employer contribution (for employees that contribute 4 % or more to their plan). Employers may elect to “migrate” to this level of benefit by changing the base contribution by 1% point, per year until they reach 8% employer base contribution.

For Defined Contribution Plans:

ELIGIBILITY

Eligible employees are enrolled in the Church Pension Fund on first of the month following their date of hire, and after completing the necessary enrollment forms.

EMPLOYEE ELECTIVE CONTRIBUTIONS

Plan participants may elect to contribute a percentage of their compensation to the retirement plan, subject to the terms of the plan and certain established federal limitations.

EMPLOYER MATCHING CONTRIBUTIONS

The organization may contribute amounts to the participant's retirement plan.

VESTING

Employee and employer contributions are always 100 percent vested in the full amount of their contributions which means that employee contributions are non-forfeitable in the event employment terminates.

INVESTMENT OF ACCOUNTS

Participating employees may direct how their account balances are invested by choosing among several investment options offered under the plan.

ADDITIONAL INFORMATION

Additional information about an employee's Church Pension Fund account can be obtained by contacting the Benefits Administrator.

This is intended as a brief introduction to the Church Pension Fund. A more thorough explanation of the plan is contained in the Summary Plan Description and plan documents available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.14 SHORT-TERM DISABILITY INSURANCE

A loss of income due to disability can be destructive to an individual's or family's security. For this reason our organization provides eligible employees with short-term disability insurance. This insurance program assists employees in replacing lost income in the event that an employee is disabled due to an off-the-job injury, illness, or pregnancy.

ELIGIBILITY

All employees who cannot work due to a non-job related disability are covered under this short-term disability insurance program if they meet the eligibility requirements of the New York State Disability Benefits Law.

BENEFITS

The benefits begin on the eighth calendar day of the disability and may continue for up to 26 weeks. Disability benefits are 50 percent of the employee's average weekly wage (based on the last eight weeks of employment) up to a maximum weekly benefit of \$170.00.

SUPPLEMENTAL SHORT-TERM DISABILITY INSURANCE

The Diocese encourages all employers to provide additional supplemental short-term disability insurance at no additional cost to the employee.

COST

The cost of state-mandated short-term disability insurance may be shared between the employee and the Diocese. However, the cost to the employee is no greater than \$.60 each week and may be deducted from the employee's paycheck.

LEAVE ENTITLEMENT

Employees are eligible for a Disability Leave. See the Disability Leave policy for more information.

EMPLOYEE'S RESPONSIBILITY

Employees must notify the Benefits Administrator immediately if they anticipate being on a medical leave beyond seven calendar days.

This is intended as a brief introduction to the Short-Term Disability Insurance. A more thorough explanation of the plan is contained in the Summary Plan Description and plan documents available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.15 LONG-TERM DISABILITY INSURANCE

Income protection is vital to anyone disabled for a long period of time. For this reason, the Episcopal Diocese offers eligible employees a long-term disability insurance plan which provides income protection during extended periods of disability.

ELIGIBILITY

Employees are eligible to participate in this plan through the Church Pension Group.

BENEFITS

The payment of long-term disability insurance benefits is contingent upon being totally disabled due to illness or non-occupational injury. Total disability is defined in the plan documents.

COST

The cost of this insurance is paid for by the employee.

EMPLOYEE'S RESPONSIBILITY

Employees who are on long-term disability are responsible for notifying the organization of any change in their return-to-work status.

This is intended as a brief introduction to the Long-Term Disability Plan. A more thorough explanation of the plan is contained in the Summary Plan Description and plan documents available from the Benefits Administrator. In the event of a discrepancy between the terms of this policy and the official plan documents, the official plan documents will apply.

4.16 WORKERS' COMPENSATION

Our organization carries a Workers' Compensation Insurance Policy which covers all employees in the event that they are injured or become disabled due to occupational illness or injury while on the job.

BENEFITS

For employees who are injured while on the job or who develop an occupational illness, medical expenses and loss of earnings up to the specified maximum normally will be covered by our Workers' Compensation Insurance Policy. Compensation under this plan is based on a formula using the employee's average weekly wages.

ELIGIBILITY

Benefits for lost earnings begin after the seventh day of disability. If disability continues beyond two weeks, the benefits will also be paid for the first week of disability. Payment of medical expenses begins on the first day of disability.

LEAVE ENTITLEMENT

Employees are eligible for a Disability Leave. See the Disability Leave policy for more information.

COST

The organization pays the entire premium for this insurance policy.

REPORTING ACCIDENTS

Reports of accidents or injuries, even if minor, must be filed within 24 hours with the Diocese. Failure to receive medical treatment in a timely manner may result in serious complications and also may jeopardize eligibility for medical benefits.

4.17 JURY DUTY & COURT ATTENDANCE

Our organization considers service on a jury to be an important civic duty.

JURY DUTY PAY

If an employee is called to serve, he or she will be paid by the Diocese the New York State mandated per diem for the first three days of jury service. Exempt employees will be paid their full weekly salary if they work any part of the week in which they perform jury service.

DOCUMENTATION

Employees must submit a copy of the Jury Duty Attendance Certificate to their supervisor indicating the dates served. Employees will receive this statement when their jury duty is complete.

TIME AWAY FROM WORK

In fairness to the organization, employees are expected to return to work if they are excused from jury duty during their regular working hours.

COURT ATTENDANCE

Employees who are subpoenaed to appear in court as a witness in a criminal proceeding, or who attend court as a victim of a crime, will be granted unpaid time off for their attendance.

4.18 MILITARY LEAVE

The Diocese recognizes the obligation of those employees serving in any branch of the military or other uniformed services of the United States. Employment status within the organization is protected by the Uniformed Services Employment and Reemployment Rights Act of 1994 and state military leave provisions.

LEAVE AND REEMPLOYMENT

Employees who serve on active or reserve duty will be granted a leave of absence up to the maximum time required by law. The Episcopal Diocese is committed to preserving the job rights of employees absent on military leave in accordance with law.

COMPENSATION

Military leave is unpaid. Employees on unpaid military leave may choose to apply vacation or sick/personal days to their absence.

HEALTH CARE CONTINUATION

Employees on military leave can continue group health insurance for up to 36 months (through Extension of Benefits Program). If the leave is longer than 30 days, the employee must pay the full premium for the coverage plus a small administrative fee. For additional information on health care continuation contact the Benefits Administrator.

SPOUSAL LEAVE

In accordance with New York State law, spouses of members of the U.S. Armed forces, National Guard, or reserves that have been deployed to a combat area during a period of military conflict are entitled to up to 10 days of unpaid leave. The spouse must work on average at least 20 hours per week to be eligible for this leave. The military personnel must be on leave at the time the spousal leave is taken.

NOTIFICATION OF SUPERVISOR

Employees are expected to inform their supervisor of their need for military or spousal leave as far in advance as possible. Employees also must submit a copy of the military orders to Parish Leadership.

OTHER LEAVES

This leave may run concurrently with FMLA, where applicable.

4.19 VOTING LEAVE

Our organization believes that all employees should have the opportunity to exercise his or her right to vote in elections.

TIME AWAY FROM WORK

Employees who do not have sufficient time to vote outside their working hours will be allowed the necessary time off to vote at the beginning or the end of their shift. Up to two hours will be paid time off. No time off will be allowed in any election where the polls are open at least four consecutive hours before or after the employee's shift.

Employees must return to work immediately after voting if their shift has not ended.

ADVANCE NOTICE

Employees must request time off to vote in writing at least two work days in advance. Requests for time off to vote should be given to supervisors.

4.20 BONE MARROW & BLOOD DONATION LEAVE

In accordance with New York State law, our organization offers employees a leave of absence for the purpose of bone marrow or blood donation.

TIME AWAY FROM WORK

Employees who work at least 20 hours per week who seek to undergo a medical procedure to donate bone marrow will be granted a leave of absence no longer than 24 work hours. This leave is unpaid.

Employees who work at least 20 hours per week may be granted three hours of unpaid leave in any 12-month period of time for the purposes of donating blood.

VERIFICATION

Employees are requested to give as much advance notice as possible. Employees who donate bone marrow must provide the supervisor with verification from a physician as to the purpose and length of leave requested.

4.21 DISABILITY LEAVE

Our organization offers employees a leave of absence due to an injury or illness, including pregnancy-related disability.

ELIGIBILITY

All employees are eligible for this leave.

LENGTH OF LEAVE

Leave will be provided as medically necessary and consistent with the operational needs of the organization. The Diocese will comply with the requirements of the Americans with Disabilities Act and state law.

PAY DURING LEAVE

Disability leaves are unpaid except to the extent an employee is eligible to receive Workers' Compensation benefits, short-term disability benefits, or paid sick/personal or vacation days. (See those policies for details.)

MEDICAL CERTIFICATION

Prior to the granting of such leave, employees must provide the supervisor with a health care provider's certificate justifying the medical need for the disability leave and the expected date of return.

HEALTH INSURANCE DURING LEAVE

Our organization will continue to provide health insurance coverage for full-time employees on authorized disability leave for three months. Employees are required to pay their portion of the premium on the first day of each month. Coverage will cease if an employee's premium payment is more than 30 days late. The employee may then be entitled to continuation coverage at the employee's expense. (See Extension of Benefits Program policy for details.)

If an employee qualifies for leave under the Family and Medical Leave Act, he or she will receive health benefits during their FMLA leave under the same terms and conditions as if he or she was on the job. (See the Family and Medical Leave Act policy.)

RETURN TO WORK

Before returning to work, employees are required to present documentation from a health care provider certifying they are able to return to work.

JOB REINSTATEMENT

We will make all reasonable efforts to return employees to the same or similar position as held prior to the disability leave, subject to our staffing and business requirements. An employee's continued absence from work beyond the period of disability will be deemed a voluntary termination of employment.

4.22 SABBATICAL LEAVE

Our organization offers ordained clergy a sabbatical leave.

ELIGIBILITY

Ordained clergy employed as either parochial clergy or who serve on the Bishop's staff, are entitled to a three-month sabbatical after five years of service (in the sixth year). Sabbatical time is accrued at a rate of 0.6 months per year of service and may be pro-rated for part-time clergy.

LENGTH OF LEAVE

A sabbatical may be for a period of less than three months, carrying forward the remaining time accrued, but the maximum accrued sabbatical will never exceed three months. Accrued sabbatical time will not be paid upon resignation or termination.

RETURN TO WORK

Clergy who take a sabbatical are expected to return to work for at least one year following the end of the sabbatical period.

REQUEST FOR LEAVE

In order to assist in coordinating coverage, all requests for sabbatical leave should be communicated in writing to the office of the Bishop at least six months prior to the requested sabbatical start date.

4.23 EMPLOYEE ASSISTANCE PROGRAM

On occasion, everyone has personal problems. Usually these problems are resolved with the support of relatives and close friends. But sometimes, employees or members of their family may find that they would benefit from the assistance of a trained counselor. It is for this reason that The Episcopal Diocese provides an Employee Assistance Program (EAP) to employees and family members who may need help with personal or behavioral problems.

ELIGIBILITY

Our EAP, which is offered through the Cigna, is available to all employees and their family members.

BENEFITS

Through this program, confidential advice and short-term counseling are provided for any employee or member of an employee's family who requests it, or for an employee who is referred by his or her supervisor. Common problems addressed through counseling include alcoholism, drug abuse, financial difficulties, family tensions and conflicts with co-workers. EAP can assist achieving work/life balance by assisting with identify left, child care, senior care, pet care and education guidance.

The privacy of employees and their family members is protected at all times. The Diocese is not informed when anyone seeks assistance, unless the individual so requests, or the organization refers the employee to the program as a requirement of continued employment.

COST

The Episcopal Diocese pays the full cost of the Employee Assistance Program. Employees are responsible for the cost of outside referrals. However, the cost for outside referral help may be covered by the Episcopal Diocese group health insurance program.

ADDITIONAL INFORMATION

Employees may contact Cigna at (866) 395-7794 or CignaBehavioral.com. If they are unable to reach help at the EAP number and it is a crisis situation, employees should call 911. If it is not a crisis situation, employees may contact Finger Lakes Region 2-1-1 at 1-877-356-9211, by dialing 211, or by visiting www.211fingerlakes.org. The Finger Lakes Region 211 offers referrals for emergency food, shelter, clothing, crisis counseling, substance abuse issues, employment, financial and legal issues and physical and mental health needs.

4.24 OTHER BENEFITS

Our organization offers additional benefits to current employees.

ELIGIBILITY

Employees are eligible to receive discounts from the following:

- Frontier MEDEX, Inc.
- Health Advocate
- Hear PO

ADDITIONAL INFORMATION

See the Benefits Administrator for additional information on any one of these programs.

4.25 DOMESTIC PARTNER BENEFITS

The Episcopal Diocese allows employees to obtain allowable benefits for themselves and their domestic partners. If the domestic partner is not the employee's income tax dependent under applicable IRS rules, then the value of the employer-provided benefits (including any such coverage paid for on a pre-tax basis) may be added to the employee's taxable earnings. If you need further advice on this issue, please consult your tax advisor.

ELIGIBILITY

Domestic partners of current employees, including same sex and opposite sex partners and children of a current domestic partner are eligible for health insurance and dental insurance benefits. Domestic partners must meet the following requirements:

- Have an exclusive mutual commitment, similar to that of marriage;
- Are each other's sole domestic partner and intend to remain so indefinitely;
- Neither partner is legally married;
- Are not related by blood to a degree of closeness which would prohibit legal marriage in the state in which the partners legally reside;
- Are at least 18 years of age and are legally competent to contract;
- Are currently residing together and have resided together in a common household for at least six consecutive months and intend to reside together indefinitely;
- Share joint responsibility for the partners' common welfare and financial obligations as evidenced by an Affidavit of Domestic Partnership (a prescribed affidavit sworn to by both individuals which demonstrates their personal and financial interdependence).

Same-sex couples who have been legally married are eligible for the same insurance benefits from the organization as are other married couples without meeting the above eligibility requirements.

ENROLLMENT

To enroll a domestic partner in the Episcopal Diocese health insurance benefit programs, the employee must provide an Affidavit of Domestic Partnership which may be obtained from *the Church Pension Group (CPG)* or by contacting *the Diocesan Benefits Administrator*.

CHANGES IN BENEFIT ELECTIONS

After enrolling, employees may not change their benefit plans until the beginning of the next plan year, unless one of the following events occur and provided the change elected is made on account of and consistent with, such event:

- The domestic partnership is dissolved;
- You have a change in family status; or
- Your employment status changes.

TAX IMPLICATIONS

Unless a domestic partner qualifies as the employee's tax dependent the value of any domestic partner benefit may be taxable compensation for the employee. For further advice, please consult your tax advisor.

TERMINATION PROCEDURES

If there is a change in status of the domestic partnership, the employee must notify the Benefits Administrator within 30 days of the change of status. Benefits will continue until the last day of the month the statement is received.

CONFIDENTIALITY

All employee information concerning domestic partnership status and benefits, including statements of marriage or domestic partnership, will be kept confidential by the Episcopal Diocese and released only on a need to know basis.

SECTION FIVE

SAFETY POLICIES

5.01 SAFETY THROUGH TEAMWORK

Safety is a high priority for the Episcopal Diocese. We accept responsibility for providing employees with a safe working environment and we expect employees to take responsibility for performing their work in accordance with our safety standards and practices.

Safety will only be achieved through teamwork at our organization. We must all join together in promoting safety and taking every reasonable measure to assure safe working conditions exist throughout our organization.

EVERYONE IS RESPONSIBLE FOR SAFETY

Employees who notice an unsafe condition must notify their supervisor. Immediate action will be taken to correct the situation.

ACCIDENTS

Employees should report any injury received at work to their supervisor immediately, even if it appears minor, and explain how the injury occurred.

EMPLOYEE RESPONSIBILITIES

An unsafe worker is a danger to the worker and fellow employees. Attention to all safety procedures is essential, not only to prevent injury, which is paramount, but also to protect property and the tremendous investment that it represents.

Each employee is responsible for safety. To accomplish this, employees should:

- Know and apply safety measures at all times;
- Know the locations, contents, and use of first aid and fire fighting equipment;
- Understand their job fully;
- Seek guidance from their supervisor when unfamiliar conditions are encountered;
- Report any accident or near accident to their supervisor promptly;
- Cooperate in the application of improved work measures; and
- Report any damaged or defective equipment or other unsafe condition to their supervisor promptly.

SAFETY VIOLATION

Violation of a safety measure is in itself an unsafe act. A violation will be grounds for disciplinary action, the extent of which will be determined by the nature of the violation.

5.02 ALCOHOL & DRUG-FREE WORKPLACE

The Diocese is committed to providing employees with a work environment that is free of the problems associated with the use and unlawful possession of controlled substances or alcohol. We also are responsible for serving our members in a safe and efficient manner. As a condition of employment with our organization, all employees are required to fully comply with the provisions of this policy.

DEFINITION OF CONTROLLED SUBSTANCES

"Controlled substances" are defined as those drugs listed in Schedules I through V of Section 202 of the Federal Controlled Substances Act, 21 U.S.C. 812 and include, but are not limited to: marijuana, cocaine (including "crack" and other cocaine derivatives), morphine, codeine, phenobarbital, heroin, amphetamines and many barbiturates.

UNAUTHORIZED PRESENCE OF CONTROLLED SUBSTANCES AND/OR ALCOHOL IN THE WORKPLACE

The unauthorized use, sale, purchase, possession, distribution, dispensation, formulation, manufacture or transfer of controlled substances or alcohol on organization property, or any location at which organization business is conducted, including organization vehicles and any private vehicle parked on organization premises or work sites, is strictly prohibited.

Further prohibited is the unauthorized use, sale, purchase, possession, distribution, dispensation, formulation, manufacture or transfer of controlled substances or alcohol on non-working time on organization premises to the extent such actions impair an employee's ability to perform his or her job or otherwise adversely affects the organization 's interests.

REPORTING THE USE OF PRESCRIPTION DRUGS

Employees who are taking drugs prescribed by a physician, dentist, or other licensed practitioner which may affect their ability to safely perform their job must obtain a written statement from their attending physician. This statement must specify any work restrictions and is to be given to the supervisor prior to starting work under the influence of the drug(s).

FOR CAUSE TESTING

If there is reasonable cause to indicate that an employee has consumed, or is under the influence of controlled substances or alcohol at work, the employee may be required to undergo testing. Refusal to consent to testing may result in immediate termination.

Reasonable cause includes, but is not limited to, the following:

- Involvement in a preventable on-the-job accident or injury;
- Documented on-going performance problems such as, but not limited to: unexplained frequent absences, pattern of absences, tardiness, or failure to follow directions;
- Involvement in a vehicular accident;
- Observable physical signs and symptoms of possible impairment; or
- Presence of drug/alcohol paraphernalia.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The Episcopal Diocese provides an EAP for employees and their family members. Employees are encouraged to use the EAP whenever they feel the need to discuss personal issues. For employees who have difficulty handling drugs or alcohol, the EAP can provide information on treatment. The EAP is a confidential service.

VIOLATION OF POLICY

Employees who violate this policy will be subject to disciplinary action, up to and including termination.

5.03 BUILDING SECURITY

The security of Diocesan offices and facilities is of the utmost importance. To control building security, all visitors who require access to our facilities must be accompanied by an authorized employee.

VISITORS

Visitors requiring access to the Episcopal Diocese's offices are to be met in the reception area, escorted while in the building by an authorized employee. Visitors should only have access to the areas/offices within the building that are needed to conduct business.

DELIVERIES

Delivery people are seldom thought of as visitors, but they are and should be treated as any other visitor.

PROHIBITED ITEMS

The following articles may not be brought onto organization premises:

- Firearms, weapons, explosives;
- Narcotics or alcoholic beverages;
- Copying or reproduction devices; and
- Other items similar in effect or purpose to any of the above, as well as items which may be considered illegal under local, state, or federal laws or contrary to standard industrial practice.

Any personal items brought on the premises are subject to inspection as necessary to protect organization property and personnel.

USE OF ORGANIZATION PROPERTY/VEHICLES

Diocesan property may not be removed from the premises or equipment operated for personal use without the written approval of the supervisor and/or appropriate Leadership.

5.04 SMOKE-FREE WORKPLACE

The following smoking provisions have been adopted in the interest of providing a safe and healthy environment for both employees and visitors to our facilities.

SMOKING RESTRICTIONS

Smoking is not permitted in any Diocesan work areas and property, including Diocesan owned vehicles: this includes E-cigarettes.

COMPLIANCE

Violations of this policy are subject to disciplinary action, up to and including termination.

5.05 VIOLENCE IN THE WORKPLACE

The Episcopal Diocese is committed to providing a safe environment for employees, members, and visitors. The Diocese has zero tolerance for violence. Employees who display any violence or threaten violence in the workplace are subject to disciplinary action, up to and including termination. Talk of committing violence or joking about committing violence will not be tolerated.

DEFINITION

Violence in the workplace includes, but is not limited to: physically harming another, shoving, pushing, brandishing weapons and explicit or implicit threats or talk of committing violence.

WEAPONS

All employees are prohibited from carrying a weapon while in the course and scope of performing their job for the Episcopal Diocese, whether they are on organization property at the time or not, and whether they are licensed to carry a handgun or not. This policy also prohibits weapons at any organization-sponsored functions such as parties or picnics.

Failure to abide by this policy may result in disciplinary action, up to and including termination. Further, carrying a weapon onto organization property in violation of this policy will be grounds for immediate removal from organization property and may result in prosecution. This policy shall not be construed to create any duty or obligation on the part of the organization to take any actions beyond those required of an employer by existing law.

REPORTING VIOLENCE

It is everyone's responsibility to prevent violence in the workplace. Employees must report what they see in the workplace that could indicate that a co-worker is in need of help. Employees should report any incident that may involve a violation of the organization's policies that are designed to provide a safe workplace environment. Concerns may be presented to supervisors or any other member of management. All reports will be investigated and information will be kept confidential, except where there is a need to know in order to facilitate a solution to the problem.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The Episcopal Diocese provides an EAP for employees and their family members. Employees are encouraged to use the EAP whenever they feel the need for guidance with personal problems. For employees who have difficulty handling drugs or alcohol, the EAP can provide information on treatment. The EAP is a confidential service.

SECTION SIX

EMPLOYEE PROGRAMS & PROCEDURES

6.01 MEMBER & VISITOR RELATIONS

The professional treatment of members, visitors and the impression that we make on our community are very important. The reputation of the Diocese is built on how we treat others. To maintain our reputation requires the active participation and cooperation of every employee.

EACH EMPLOYEE'S RESPONSIBILITY

The opinions and attitudes that members and potential members have toward our organization may be determined for a long period of time by the actions of one employee. Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

QUALITY SERVICE

Quality service can only be achieved when every employee understands that serving members and building strong community are critically important to the success of our organization.

We are committed to providing quality service and a high level of professionalism at all times to all that we serve.

6.02 MEDIA RELATIONS

Communication with news reporters and other journalists is, at times, sensitive in nature. Therefore, media requests for official Diocesan statements may be handled only by designated senior leadership of our organization.

MEDIA REQUESTS FOR OFFICIAL STATEMENT

Any telephone calls, electronic communications, or visits from members of the media requesting the Diocese's official statement should be directed to the Communications Missioner.

6.03 TELEPHONES & ELECTRONIC DEVICES

It is important that our telephones be free and our employees be available during working hours to serve members and other business-related calls.

NON-BUSINESS CALLS

Our telephones, including organization -provided cellular phones, are maintained for business purposes only. The Diocese recognizes that employees may occasionally need to use organization telephones, including organization-provided cell phones, for non-business related matters. Employees are requested to limit these calls to an absolute minimum and place calls only during non-working periods. The abuse of this privilege would negatively impact the already heavy demand on our telephone lines and interfere with the efficiency of our operations.

LONG DISTANCE CALLS

The organization's telephones may not be used to make non-business long distance calls except in emergencies with prior permission from an employee's supervisor.

PERSONAL CELL PHONES AND ELECTRONIC DEVICES

Most of today's hand-held electronic devices make it easy to bring music, entertainment, and personal communications to the workplace. However, due to safety, productivity and efficiency reasons, the use of personal electronic devices should be limited to break and meal periods, unless used for work-related reasons, e.g. podcasts, etc.

Radios, iPods, MP3 players, and other personal electronic devices may be used to play music during work time with prior permission from the supervisor and as long as the devices are not distracting to others and do not interfere with work performance.

6.04 PROFESSIONAL ATTIRE

The impression that we make on visitors to our Diocesan Offices or Churches is important. There is no substitute for neatness, propriety of dress, good grooming and speech, and a professional attitude. Sensitivity to these areas will ensure that our good relationships with members are maintained and fostered.

DRESS CODE

Although no formal dress code exists, employees are asked to wear clothing that is appropriate for their position and the work that they do. Clothing should be neat, clean, in good taste and not constitute a safety hazard.

The Episcopal Diocese will make accommodations when necessary to comply with state and/or federal law. Please contact your supervisor with questions regarding this policy.

6.05 CHANGES IN PERSONAL INFORMATION

Employees are responsible for notifying the Diocese when there is a change in their personal data. This information needs to be kept up-to-date so benefit plans and payroll withholdings are properly administered. Timely notification of these changes will also enable the Episcopal Diocese to assist employees and their family in matters of personal emergency.

NOTIFICATION

Notify your supervisor and the Benefits Administrator in writing if any of the following change:

- Name
- Address
- Telephone numbers
- Number of dependents
- Change in familial status and/or beneficiaries
- Emergency contact

6.06 NEPOTISM/EMPLOYMENT OF RELATIVES

The employment of relatives is a sensitive issue that could possibly create a conflict of interest situation for the related individuals. Hiring decisions and continued employment must be handled in accordance with the following provisions. Relatives of a currently employed worker generally are considered for employment on the basis of their qualifications. However, where the hiring or employment of a worker's relative would result in the types of prohibited employment relationships identified below, the organization may not consider or accept such applications for employment.

LIMITATIONS

It is the organization's policy that employees will not be hired into, or work in, a department where they directly or indirectly supervise or are supervised by an immediate family member or someone with whom they are romantically involved. Employees will not be placed in a position where they work with, or have access to, sensitive or confidential information about an immediate family member or someone with whom they are romantically involved.

DEFINITION OF RELATIVES

For the purposes of this policy, the term "immediate family" refers to spouses, domestic partners, parents, children, stepchildren, sisters, brothers, parents-in-law, sons/daughters-in-law, stepparents or family members residing in the same household.

MARRIAGES OR RELATIONSHIPS BETWEEN EMPLOYEES

Employees who marry or establish a close personal relationship can continue in their current positions as long as a prohibited employment relationship is not created. If one of the prohibited situations does occur, attempts will be made to find another position within the organization to which one of the employees can transfer. All practical efforts will be made to arrange such a transfer at the earliest possible time. If accommodations of this nature are not feasible, the employees will be permitted to determine which of them will resign.

6.07 OUTSIDE EMPLOYMENT

We hope our employees will not find it necessary to accept additional outside employment. However, if the need arises, employees may accept part-time employment providing the following provisions are observed.

NOTIFICATION

Employees must notify their supervisor in writing of their intent to accept another position at another organization while they are still employed by the Episcopal Diocese. This notice should specify the name of the employer, the nature of the job duties, and the hours of work.

CONFLICT OF INTEREST

Outside employment must not interfere in any way with your capability for giving full service to our organization.

6.08 BULLETIN BOARDS

The Episcopal Diocese maintains bulletin boards in suitable places for the posting of official notices relating to Diocesan business, job opportunities, sponsored activities, and federal and state regulations.

GENERAL

Information of interest and importance is regularly posted on our bulletin boards. Make a point to look at the bulletin boards regularly to keep up with "what's happening." These bulletin boards are for administrative use only so employees may not post or remove any items on them.

6.09 VOICEMAIL, E-MAIL & COMPUTER SYSTEMS

The Episcopal Diocese's telephone and computer systems permit employees to receive, send and transfer voice mail, text, and e-mail messages. The purpose of these systems is to facilitate business communications. The Episcopal Diocese reserves the right to access all voicemail, text, and e-mail messages left on or recorded on the phone system or the computer mail system, as well as the right to access any computer file on the computer system, at any time without advance notice.

CONFIDENTIALITY

Employees should not assume that messages on voice mail, e-mail, or organization-provided cell phones and electronic devices are private or confidential. Security codes limit access to employees' messages, but management reserves the right to search or monitor the phone and computer systems, without advance notice.

BUSINESS RELATED

Our computer and phone systems are maintained for organization business purposes. Employees should not use the organization's systems to conduct personal business or maintain personal files.

IMPROPER USES

As with all organization communications, messages of a discriminatory or harassing nature may not be transmitted on organization network systems. Employees are expected to use professional and respectful language when communicating over organization computer and phone systems and other organization-provided electronic devices.

Employees are prohibited from downloading any software from the Internet. Employees must respect copyright and license agreements for software, digital artwork and other forms of data. Employees may not use other employees' passwords to access organization data unless authorized in writing in advance by the supervisor.

Employees may not disclose their passwords or allow others to use their access to organization systems and equipment. Employees must protect data from unauthorized use or disclosure and respect the integrity of computing systems. Employees must take care not to introduce viruses into organization systems by not opening messages or documents sent by unknown users. Employees should utilize anti-virus software and notify management immediately if there is reason to believe a virus has been introduced into our computer system or that any person may have accessed data which they were not authorized to view.

MAINTENANCE

Employees are responsible for maintaining their files and messages on these systems and devices. Messages should be accessed, acted upon, filed or deleted on a regular basis.

6.10 USE OF INTERNET

The Internet is a powerful communications tool and a valuable source of information. However, an employee's improper use of employer provided Internet services can waste time and resources and create legal liability and embarrassment for both The Episcopal Diocese and the employee.

ACCESS

The Diocese's policy applies to any organization provided Internet service that is accessed on or from the organization's premises, accessed using organization computer equipment or via organization -paid access methods and/or used in a manner that identifies the employee with the Episcopal Diocese.

IMPROPER USES

Employees are strictly prohibited from using employer -provided Internet services in connection with, but not limited to, any of the following activities:

- Engaging in illegal or fraudulent conduct which includes improper use or downloading of copyrighted material;
- Viewing, sending, receiving, or storing material that could be viewed as malicious, obscene, threatening, or contributing to a hostile work environment on the basis of any status protected by law or organization policy;
- Monitoring or intercepting the files or electronic communications of employees or third parties;
- Obtaining unauthorized access to any computer system;
- Using another individual's account or identity without explicit authorization from the supervisor and/or Parish Leadership;
- Attempting to test, circumvent, or defeat security or auditing systems of the Episcopal Diocese or any other organization without prior authorization; or
- Distributing or storing chain letters, jokes, offers to buy or sell goods.

USE OF INSTANT MESSAGING, WEBLOGS, AND SOCIAL NETWORKING SITES

Blogging, instant messaging, and visiting social networking sites such as Facebook are not appropriate working time activities unless required by the scope and responsibilities of an employee's job. Such personal activities, if engaged in, must be limited to non-work time and must comply with the Episcopal Diocese policies governing the proper use of the internet, e-mail, off-duty social networking, and computer files.

CONFIDENTIALITY

Employees should not expect privacy with respect to any of their activities using employer -provided Internet access or services. The Episcopal Diocese reserves the right to review any site visits and/or files, messages, or communications sent, received or stored on organization computer systems.

VIOLATIONS

Employees violating this policy are subject to disciplinary action, up to and including termination. Employees using organization computer systems for illegal or fraudulent purposes also may be subject to civil liability and/or criminal prosecution. The organization may also report suspected unlawful conduct to the appropriate law enforcement authorities.

6.11 OFF-DUTY SOCIAL NETWORKING

This policy establishes a set of rules and guidelines for any activity and participation in “social media” by all the Episcopal Diocese’s “users.” These rules are intended to be adaptable to the changes in technology and norms of online communication and behavior, and may be amended by the Episcopal Diocese at any time, for any reason, without notice to users.

DEFINITIONS

The term “social media” applies to any web-based and mobile technologies, in use now or developed in the future, that enable individuals or entities to disseminate or receive information, communicate, or otherwise interact, and includes, without limitation, email, texting, messaging, social networking, blogging, micro-blogging, bulletin boards, and so on, through providers such as Facebook, LinkedIn, Twitter, YouTube, Google+ or others.

The term “users” refers to employees, management and supervisors, and anyone else employed by the Episcopal Diocese.

EXERCISE RESPONSIBILITY ONLINE

This policy applies to any social media activity conducted with an Episcopal Diocese email address or on an Episcopal Diocese website or page, and/or which can be traced back to an Episcopal Diocese domain, and/or which uses the Episcopal Diocese’s Information Systems and/or which expressly or implicitly identifies the individual as an employee of the Episcopal Diocese.

If, from an employee’s post in a blog or elsewhere in social media, it is clear the employee is an Episcopal Diocese employee, or if the employee mentions the Episcopal Diocese, or it is reasonably clear the employee is referring to the Episcopal Diocese or a position taken by the Episcopal Diocese, and the employee expresses a political opinion or an opinion regarding the Episcopal Diocese’s positions or actions, the post must specifically note that the opinion expressed is the employee’s personal opinion and not necessarily the Episcopal Diocese’s position.

FOLLOW EXISTING POLICIES

Observe and follow: (a) existing Diocesan policy and agreements, such as our Employee Handbook and (b) applicable laws and regulations. This means that employees are prohibited from using social media to post or display comments about co-workers or supervisors of the Episcopal Diocese that are maliciously false, obscene, threatening, intimidating, or in violation of the Episcopal Diocese's workplace policies against discrimination on the basis of race, color, sex, age, disability, religion, citizenship, national origin, ancestry, military status or veteran status, marital status, sexual orientation, domestic violence victim status, predisposing genetic characteristics and genetic information, and any other status protected by law.

The rules in the Episcopal Diocese's Employee Handbook and "Non-Harassment," "Sexual Harassment," "Non-Discrimination," "Code of Ethics," "Standards of Conduct," "Voicemail, E-mail, and Computer Systems," and "Use of Internet" policies apply to employee behavior within social media and in public online spaces.

Do not post any information or conduct any online activity that violates applicable local, state, or federal laws and regulations. Any conduct which under the law is impermissible if expressed in any other form or forum is also impermissible if expressed through social media.

RECOGNIZE OTHERS' PRIVACY

It is inappropriate to use or disclose "confidential personal information" (as defined below) about another individual or use or disclose the Episcopal Diocese's "proprietary confidential information" in any form of social media.

For purposes of this Policy, "confidential personal information" refers to an individual's Social Security number, financial account numbers, driver's license number, or personal medical information (including family medical history). The Episcopal Diocese's "proprietary confidential information" refers to internal information regarding Diocesan finances, future organization performance and plans and strategies

All Diocesan rules regarding the Episcopal Diocese's confidential proprietary information and confidential personal information, apply in full to social media, such as blogs or social networking sites.

USE YOUR TRUE IDENTITY

When commenting on or promoting any Episcopal Diocesan venue or service on any form of social media, employees must clearly and conspicuously disclose his or her relationship with the Episcopal Diocese to the members and readers of that social media.

MANAGE EXPECTATIONS OF PRIVACY

Consistent with the Episcopal Diocese's "Voicemail," "E-mail," "Computer Systems," and "Use of Internet" policies, the Episcopal Diocese may access and monitor its Information Systems and obtain the communications within the systems, including email, Internet usage, and the like, with or without notice to users of the system, in the ordinary course of business when the organization deems it appropriate to do so. As such, when using such systems, employees should have no expectation of privacy with regard to time, frequency, content, or other aspects of use, including the websites the employee visits and other Internet/Intranet activity. The reasons the Episcopal Diocese accesses and monitors these systems include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; and complying with legal and regulatory requirements.

INTERACT ON YOUR OWN TIME

The Episcopal Diocese respects the right of any employee to participate in social media, such as maintaining a blog or participating in online forums. However, to ensure proper employee focus on their job duties and adequate functioning of organization equipment, employees are not permitted to engage in social media activities during work time. Moreover, during non-work time, employees must avoid excessive social media or other email or internet activity while using Diocesan equipment or Diocesan networks.

IDENTIFY ANY COPYRIGHTED OR BORROWED MATERIAL WITH CITATIONS AND LINKS

When publishing any online material through social media employees must respect and follow all copyright and other intellectual property laws.

ADDITIONAL INFORMATION

Please see your supervisor and/or appropriate leadership for additional information or clarification of any aspect of this policy.

6.12 PROTECTED HEALTH INFORMATION PRIVACY

For employers with self-insured medical plans or medical flexible spending account plans, the Health Insurance Portability and Accountability Act (HIPAA) privacy rules require group health plans like the Episcopal Diocese's group health plan to take steps to ensure the privacy of personally identifiable health information (PHI) and provide notice of the plan's legal duties and privacy practices to participants. Generally, the plan cannot use or disclose PHI without written authorization except for the purposes stated in the plan's Notice of Privacy Practices. The summary below briefly describes some of the aspects of how medical information may be used and disclosed by the Episcopal Diocese's group health plan and how employees can get access to this information. A more complete summary is contained in the plan's Notice of Privacy Practices.

USE AND DISCLOSURE OF PHI

The plan is required to provide an employee access to certain PHI in order to inspect or copy it. Use and disclosure may also be required by the Department of Health and Human Services to enable the Department to investigate or determine compliance with the privacy regulations.

YOUR RIGHTS

Employees may request that the plan restrict the use and disclosure of PHI to carry out treatment, payment, or health care operations. Employees also may request that the plan allow the use and disclosure of PHI to relatives, friends, or other individuals identified by the employee. However, there is no requirement that the request be granted.

Employees generally have the right to inspect and copy their PHI. The plan will provide requested information within the federally established timeframe. If the request is denied, the employee will receive a written notice.

Employees have the right to request an amendment of their PHI. The plan will act on the request within the legally required timeframe. If the plan is unable to comply with the request for amendment, the employee will be provided with a written denial that explains the basis for denial. Employees may also submit a written statement disagreeing with the denial.

Employees have the right to request an accounting of disclosures of their PHI. However, such accounting need not include PHI disclosures made to carry out treatment, payment or health care operations, or certain other types of disclosures identified in the privacy regulations.

MORE INFORMATION

Requests to restrict use and disclosure, inspect or copy PHI, amend PHI, or receive an accounting of PHI should be made to the Benefits Administrator, 935 East Avenue, Rochester, New York, 14607. The plan will make every effort to accommodate the request within a reasonable period of time.

This policy is a brief summary of some of your PHI Use and Disclosure Rights under the Health Insurance Portability and Accountability Act. Additional information regarding rights may be found in the plan's Notice of Privacy Rights which may be obtained from the Benefits Administrator.

January 2015

6.13 PERSONNEL FILES

The Diocese maintains an official personnel file for each employee that contains necessary job-related and personal information. These files are confidential and guidelines exist to safeguard against improper disclosure.

ACCESS TO PERSONNEL FILE

Current employees may see information which is kept in their own personnel file if they wish, except for confidential materials such as job references or information relating to other employees. Employees may make arrangements with their supervisor to see these documents. Employees may request and receive copies of all documents they have signed at the time they are signed.

Internal availability and access to personnel files is limited to those with proper authorization and a business need to know.

INQUIRIES ABOUT EMPLOYEES

All inquiries or requests for information about employees (active or inactive) from people outside the organization should be referred to your supervisor and/or appropriate leadership. This applies to all requests, whether written or verbal.

In some cases, employers are required by federal, state or local law to disclose information to the government or other authorized entities even if the Episcopal Diocese would ordinarily keep such information confidential. The Episcopal Diocese will comply with all laws which require disclosure of employee information upon receipt of a properly authorized request.

PROTECTION AND DISPOSAL OF PERSONAL RECORDS

The Episcopal Diocese is committed to ensuring that records containing personal identifying information are protected and disposed of in accordance with state law. Personal information is disposed of in a manner that ensures no unauthorized person will have access to employee personal information.

6.14 OPERATION OF VEHICLES FOR DIOCESAN BUSINESS

The use of Diocesan vehicles is limited to authorized employees. It is the responsibility of every employee operating a Diocesan vehicle or operating his or her own vehicle for Diocesan business to drive safely and obey all traffic, vehicle safety, and parking laws or regulations.

VALID DRIVER'S LICENSE

All employees authorized to drive Diocesan or personal vehicles for use in conducting organization business must possess a current, valid driver's license and their driving record must meet the qualifications of our insurance carrier.

WORK-RELATED ACTIVITIES

Our vehicles must only be used in work-related activities and may not be used for personal business or activities without the approval of the senior leader in the organization. In accordance with New York State law, smoking is not allowed in organization-owned vehicles. Employees may not use portable electronic devices, including hand-held cellular telephones, while operating a organization vehicle.

PERSONAL VEHICLES

In some instances, employees may be required to drive their own personal vehicle for the purposes of conducting organization business. Employees must maintain adequate personal automobile liability insurance. The Diocese is not responsible for any damages or fines incurred while conducting organization business in a personal vehicle. Employees may not use portable electronic devices, including hand-held cellular telephones, while operating a personal vehicle for organization business.

SAFETY WHILE DRIVING

Employees, while driving on organization business, are expected to:

- Follow all driving laws and safety rules such as following posted speed limits and directional signs;
- Avoid confrontational or offensive behavior;
- Practice defensive driving;
- Wear seat belts, whether they are the driver or the passenger; and
- Take a sufficient number of driving breaks.

Employees while driving on organization business must refrain from distracting activities, including but not limited to:

- Using a portable electronic device while driving to: view, take, or transmit images; to play games; or to compose, send, read, view, access, browse, transmit, save, or retrieve e-mail, text messages, or other electronic data; and
- Any other activity unrelated to the operation of the motor vehicle that jeopardizes an employee's safety or the safety of others while driving.

Portable electronic devices include hand-held mobile telephones, hand-held devices with mobile data access, personal digital assistants (PDAs), laptop computers or other portable computing devices, pagers, text message devices, electronic games, and broadband personal communication devices. Drivers who hold portable electronic devices in a conspicuous manner while driving are presumed to be using such devices.

Employees who drive as part of their job duties are permitted to use hands-free cell phones while driving. Employees with hands-free devices for their cell phones are to make conversations brief. If road conditions are poor, traffic is heavy, the conversation is involved, or other safety concerns are present, employees should find a proper parking space to continue their conversations.

Employees are permitted to use portable electronic devices to communicate during an emergency to emergency-response operators, hospitals, physician offices, health clinics, ambulance and other emergency vehicle drivers, firefighters, and the police department.

PROCEDURES

7.01 TRAVEL & EXPENSE REIMBURSEMENT POLICY & PROCEDURES

Employees will be reimbursed for reasonable expenses incurred in connection with approved travel on behalf of the Diocese. The Travel & Expense Reimbursement Policy is designed to facilitate cost effective expenditures that are in compliance with approved budgets and all IRS regulations. Reimbursement can only be made in accordance with available budget authority, approved expense reimbursement forms and receipts that are submitted in a timely manner.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid the appearance of impropriety. If a circumstance arises that is not specifically covered in the travel policies, the most conservative course of action should be adopted.

Travel for staff must be authorized in advance. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the trip, and within 30 days, the traveler must submit a Business Expense Report with supporting documentation to obtain reimbursement of expenses.

REPORTING RESPONSIBILITY

Employees must file a Business Expense Report no later than 30 days following the completion of a trip or of incurring expenses. Expenses submitted more than 60 days after being incurred, may not be reimbursed. Expense reports must include: an accounting for all Diocesan credit card charges, all applicable receipts and/or statements, signature of the employee's supervisor and/or finance officer (CFO or Treasurer), approving the reimbursement. Employees should make a copy of their expense reports and receipts for their own records.

APPROVAL/AUTHORIZATION PROCESS

Supervisors must review and approve employee business expense reports and present to the CFO or Treasurer for approval prior to submission for payment. The CFO will review and approve business expenses for the direct reports of the Bishop. The Treasurer will review the reimbursements for the Bishop and the CFO on a quarterly basis.

The Diocese assumes no obligation to reimburse employees for expenses that are not in compliance with this policy (as detailed in APPENDIX A). Employees who do not comply with this policy may be subject to delay or denial of reimbursement. Disregard for this policy or improper reimbursements may result in disciplinary action up to and including termination.

DOCUMENTATION REQUIREMENTS FOR ALL EXPENSE REPORTING:

Employees must submit the following documentation with any Business Expense Report:

- Original receipts including: Vendor name, location, date and amount of the expense
- Copies of invoices (cell phone charges)
- Diocesan Credit Card Statement

Business Expense Reports that are incorrect, incomplete or include disorganized receipts may be returned to the employee for completion and result in delay or denial of reimbursement for specific items.

CREDIT CARD EXPENSES

The Diocesan credit card is to be used for Diocesan business expense. No personal use is allowed.

NONREIMBURSABLE ITEMS

The following items are NOT reimbursable under this policy:

- Parking tickets or other fines
- Delinquency fees / Finance charges for personal credit cards
- Expenses for travel incurred by companions / family members except where specifically approved for official travel on behalf of the Diocese. These expenses shall always be subject to budget authority.
- Expenses related to vacation or personal days while on a business trip
- Loss or theft of personal funds or property (lost baggage)
- Avoidable "No-Show" charges for hotels or other services
- Non-Compulsory insurance coverage
- Repairs due to accidents on personal business
- Mini-bar charges

Cell Phones: Employees that asked to utilize their cell phone for Diocesan business will be reimbursed for 75% of the cost of individual cell phone service, up to a maximum reimbursement of \$75/month. Employees are responsible for purchasing their own phone (hardware). Use of a cell phone while driving is not recommended in any situation. While on Diocesan business employees are expected to refrain from using their phone when driving, be in compliance with any pertinent laws and use hands free equipment.

Internet: Employees are not reimbursed for internet access, either at home or while traveling, as the Diocese provides office internet access and/or cell phone reimbursement.

Hotel Telephone Usage: When staying at a hotel, employees should use cell phones and avoid using hotel phones that are subject to local and long distance phone charges.

Meals: Expenses for employee meals will be reimbursed when traveling outside the Diocese on approved business. Reimbursement may be disallowed for excessive expenditures. Meals Taken with Other Employees are not generally reimbursed unless they are part of a specific business meeting, and not so regular as to be in place of the employees' normal meal expense.

Entertainment Expenses: Entertainment expenses include events such as meals, theatre and sporting events, whereby a business discussion takes place during, immediately before, or immediately after the event AND involving persons outside the staff. Employees must provide the following information in order to be reimbursed for any such meals, entertainment or other expenditures:

- Names of all individuals, including title and organization/company affiliation
- Date, name and location of where the meal or event took place
- Exact amount of the expense
- Detailed receipts for all expenditures

Club Memberships and Use: The fees for social and business club memberships may be reimbursed and are subject to reporting as W-2 income. For business purposes, expenses such as meals at a club may be reimbursed if properly submitted. Airline club memberships will not be reimbursed.

Air/Rail Travel: Air travel reservations should be made in such a manner as to secure the lowest available coach fare. If the employee elects to travel on a more expensive flight or class of service, only the portion equal to lowest available coach fare will be reimbursed. Employees may be reimbursed for baggage checking charges.

Airport and Train Station Parking: When parking at an airport or train station as part of business travel, employees should utilize the lowest cost parking (i.e. long term parking or off-premise lots) that provides reasonable level of safety and security.

Taxi / Shuttle Service: The use of airport shuttles and taxis upon arrival at the employee's destination is the preferred mode of transportation.

Car Rental: Employees may rent a car to get to their destination when driving is more cost effective than airline, rail or use of personal vehicle. Employees must rent the most cost effective vehicle for the group traveling and return vehicles with a full tank of gas.

Business Use of Personal Vehicle: Employees may use their personal vehicle for business purposes if it is less expensive than using alternate transportation. Employees must record business mileage, business purpose, dates and destinations on the Business Expense Report in order to be reimbursed at the applicable IRS mileage rate. Commuting expenses are not reimbursed.

The Diocese requires that employees who regularly use their personal vehicle for Diocese business maintain minimum of \$100,000/\$300,000 bodily injury coverage and \$50,000 property damage coverage on their vehicles.

Business Use of Diocesan Owned Vehicle: Employees who have use of a Diocesan owned vehicle must complete the mileage log in their monthly expense report. Every attempt should be made to charge all expenses for fuel, maintenance and repair costs on the Diocesan credit card, but if that is not possible these costs will be reimbursed.

All mileage on the expense report that is not specifically identified as “business mileage” is recorded as “personal use”, including mileage from an employee’s home to the office and back home. Personal use of a Diocesan owned vehicle is reported as additional W-2 income, as recorded on the Business Expense Report.

Lodging / Hotels: Hotel reservations should be made in such a manner as to secure the best available rate at moderately priced establishments.

Office equipment, software, services or furniture: All other purchases must be approved in advance by the employee’s supervisor and/or CFO, and are subject to budget authority.

EMPLOYEE HANDBOOK RECEIPT ACKNOWLEDGEMENT

I acknowledge receipt of the Episcopal Diocese Employee Handbook which describes organization policies, an overview of current employee benefits, and my obligations.

I understand that the policies contained in this handbook are not intended to create a contract of employment nor is any other communication by a management representative, either express or implied, intended to be a contract, unless explicitly stated otherwise in a written agreement signed by the Bishop of our Diocese.

I understand that this handbook is not a guarantee of employment for any set period and that either the organization or I may terminate my employment at any time, with or without cause. Furthermore, I understand that the policies and benefits described in this handbook may be added to, revised, or deleted at any time.

I agree to read and study the contents of this manual. It is understood that the Episcopal Diocese retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the organization.

Employee's Name (Printed)

Employee's Signature

Date