



St. Luke's

United Methodist Church

EMPLOYEE HANDBOOK

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SECTION I: WORKING AT ST. LUKE'S

Introduction and Nature of Employment

St. Luke's United Methodist Church (the "Church" or "St. Luke's") exists to reflect the life and teachings of Jesus Christ. In every aspect of the Church's ministry, its employees must be mindful of St. Luke's purpose and mission, as well as how the Church is perceived by the membership and community it serves. St. Luke's mission is to be a Christ-centered servant church where every member has a ministry.

The contents of this Handbook are for general information. They are not intended to be comprehensive or to address all possible applications of, or exceptions to, the Church's employment policies and practices. Questions regarding the applicability of a specific policy or practice should be addressed to an employee's immediate supervisor or Human Resources.

This Handbook supersedes and makes all previous handbooks void. The Church does now, and will in the future, review and modify this Handbook and the policies, rules and procedures it contains. No one except Human Resources, following authorization by the members of Executive Staff, is authorized to alter, amend or modify the provisions of this Handbook, whether through oral or written statements or promises. Any statement or promise that contradicts, alters, amends or modifies these policies must be set out in writing and authorized by the members of Executive Staff.

Employment "at will"

The language used in the Handbook is not intended to and does not create a contract of employment between St. Luke's and its employees. All employees of the Church are employed "at will". Employment at St. Luke's means that both employees and the Church are each free to terminate the employment relationship at any time, with or without advance notice, and with or without cause or reason. St. Luke's has not made a commitment for any length, duration, or permanence of employment. Further, whether or not the disciplinary procedures described in this Handbook are followed, all employees are subject to termination without notice at any time when, in the sole opinion of the Church, the employee's job performance and/or conduct is determined to be unsatisfactory for any reason.

St. Luke's may amend or delete any policy in this Handbook, with or without notice, with the exception of its employment "at will" policy.

Policies Applicable to Ordained Ministers and other Clergy

Ordained ministers and clergy under appointment to St. Luke's by the Texas Annual Conference are to use this Handbook when and where applicable. Conference Standing Rules/Regulations and *The Book of Discipline of the United Methodist Church* may at times supersede the contents of this Handbook for such ministers and clergy.

Whenever a conflict exists between the personnel policies of St. Luke's and The *Book of Discipline of the United Methodist Church* with respect to ordained ministers and clergy, *The Book of Discipline* takes precedence to the extent that the conflict exists.

Staff Covenant

All St. Luke's employees are expected to embrace and abide by the Staff Covenant as follows:

St. Luke's United Methodist Church Staff Covenant

Matthew 13:31-33 He put before them another parable: "The kingdom of heaven is like a mustard seed that someone took and sowed in his field; it is the smallest of all the seeds, but when it has grown it is the greatest of shrubs and becomes a tree, so that the birds of the air come and make nests in its branches." He told them another parable: "The kingdom of heaven is like yeast that a woman took and mixed in with three measures of flour until all of it was leavened."

The Church of Jesus Christ must live out what she believes that the world can become... As the professional leadership of St. Luke's United Methodist Church, we must live out what we believe St. Luke's can become. We therefore commit ourselves to replicating the reign of God in the staff community of St. Luke's, so that our life together may become the yeast for our church, and our church may become the yeast for our community and our world. As a member of that leadership community I resolve to live out my faith as follows:

- 1) Our upward look: The presence of God
 - a. I will seek the presence of God in every area of my life and work.
 - b. I will help others to experience the presence of God as well.
 - c. I will make my work an offering to God, seeking excellence not only of product but of attitude.
 - d. I will pray diligently, for prayer is the tool through which we establish partnership with God.
 - e. I will participate in (as opposed to observe) corporate worship, both within our staff community, and in the larger community of faith. We are passionate about Christ because Christ is passionate about us.

- 2) Our inward look: Authentic relationships
 - a. I will work to be in authentic caring relationship with all of those in my staff family.
 - b. I will build an attitude of trust with other staff, seeking to be both trustworthy and trusting.
 - c. I will be an encourager to other staff members.
 - d. I will seek to believe the best about those with whom I work and will not speak ill of others.
 - e. I will recognize and affirm the diversity of gifts, passions, and opinions as an essential part of the body of Christ and seek to find value in every ministry in the church.
 - f. I will bear with others and forgive them, viewing our common brokenness as a tool for God's use.
 - g. I will work through conflict with honest, one on one conversation.
 - h. I will work to grow in my faith along with others in my staff family, making time for Biblical study and learning together in a small group, and I will work to create a culture in which others are challenged to grow as well.

- i. I will work to make my ministry a community in which people discover authentic relationship, feel like they belong, and are encouraged to grow in faith. I will seek to build relationship rather than simply accomplish a task.
- 3) Our outward reach: the transformation of the world
- a. I will bear witness to my faith in the world by living a Christian life, as expressed by the three general rules of the Methodist Societies: "Avoid all harm; Do all the good you can; Attend upon the ordinances of God." (Corporate worship, the Lord's Supper, Private and Family prayer, Bible Study, Fasting or Abstinence)
 - b. I will work to make my own ministry outwardly focused, sharing the good news of the unfolding reign of God, and serving through good deeds, so that St. Luke's might continue to turn her focus toward the community.
 - c. I will view every interchange with the community as an opportunity to build relationship. (Those people are so nice up there!)
 - d. I will view part of my job as a ministry consultant, enlisting and empowering laity, helping others discover how to use their gifts to make a difference in the world.

*Holy God, we pray that this covenant might move
from words on a page to a desire in our hearts,
and from a desire in our hearts to reality among us.*

*Oh God, to that end, I pray
that you might make me leaven in the staff,
so that the staff might be leaven in the Church,
so that the church might be leaven in the world.*

*When I fall short, convict me unto repentance, and forgive me.
By the power of your Holy Spirit sanctify us all on to perfection.
In the name of Jesus Christ, we pray. Amen.*

Equal Employment Opportunity

St. Luke's is committed to the cause of equal employment opportunity and abides by all applicable state and federal laws. The Church's employment practices do not discriminate on the basis of race, color, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, veteran status, or other characteristic protected by state or federal laws, regulations, or local ordinances. The Church expects all employees to support these non-discriminatory policies to the fullest extent. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination and access to benefits and training.

Any employee who has questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of his or her immediate supervisor or to Human Resources. Employees can raise concerns and make reports without fear of reprisal.

Reasonable Accommodations

The Church will make reasonable accommodations for qualified disabled persons who seek employment, to ensure equal opportunity in the application process. St. Luke's will also make reasonable accommodations for qualified disabled employees to enable them to perform the essential functions of their job and to provide them equal access to the privileges and benefits of employment.

An applicant may request a reasonable accommodation orally or in writing from Human Resources. An employee may make a request for a reasonable accommodation orally or in writing to his or her immediate supervisor or Human Resources. A family member, health care professional, or other representative may also request an accommodation on behalf of an applicant or employee.

To enable the Church to maintain accurate records regarding requests for accommodation, applicants or employees seeking a reasonable accommodation must follow up an oral request for accommodation, with a written confirmation or e-mail of their request, to Human Resources. An employee with a disability who requires assistance with this requirement should speak with Human Resources. While the written confirmation should be made as soon as feasible following the request, it is not a requirement for the request to be considered by the Church.

A supervisor receiving an accommodation request should promptly forward it to Human Resources, which will review the request, the process for determining whether a reasonable accommodation can be provided and possible accommodations. Human Resources will have the principal responsibility for coordinating interaction with the applicant or employee to identify reasonable accommodations, including consulting with appropriate internal and external resources for assistance. The applicant or employee requesting the accommodation should participate with Human Resources to the extent possible in identifying reasonable accommodations.

The Church may seek information or documentation about the disability and/or functional limitations from the individual, and/or request that the individual obtain such information from an appropriate health care professional, such as a doctor, social worker, or rehabilitation counselor.

If the information provided by the individual requesting the accommodation or his/her health care professional is insufficient to enable the Church to determine whether an accommodation is appropriate, the Church may ask for further information. The Church and the individual

requesting the accommodation may agree, as an alternative, for the individual to sign a limited release for the Church to submit a list of specific questions to the individual's health care professional or to otherwise contact the individual's health care professional.

If, after a reasonable time period, there is insufficient information to demonstrate that the individual has a disability and needs a reasonable accommodation, the Church may request that the individual be examined by a health care professional selected by the Church, at the Church's expense.

Failure to provide appropriate documentation or to cooperate in the Church's efforts to obtain such documentation may result in denial of the accommodation request.

All medical information, including functional limitations and reasonable accommodation needs, that the Church obtains in connection with a request for reasonable accommodation will be maintained in files separate from the individual's personnel file in accordance with the Americans with Disabilities Act ("ADA") requirements.

Human Resources will notify the individual whether the request for accommodation will be granted or denied. If the request is denied, the Church will provide the individual with an explanation for the denial. If the Church offers an alternative accommodation which was not agreed to during the interactive process with the requesting individual, the explanation will include both the reason for the denial of the requested accommodation and the reason that the Church believes that the alternative accommodation will be effective.

Policy Prohibiting Harassment

St. Luke's policy is to maintain a work environment free from all forms of discrimination, harassment or intimidation and where all individuals are treated with dignity and respect. Every employee has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices. St. Luke's expects its employees to exhibit behavior that is business-like and free of bias, prejudice and harassment. This policy applies to all employees, as well as church members, volunteers, vendors, contractors and anyone else engaged in Church business or activities, both on and off Church premises. "Church premises" are defined as any building or portion of a building owned by, used by, or leased by the Church, and all driveways, parking lots and garages, either owned, leased or otherwise utilized by the Church. Harassment of co-workers is intolerable and unlawful and will result in appropriate disciplinary action, up to and including termination.

Definitions of Harassment

Sexual harassment, as defined in the Equal Employment Opportunity Commission ("EEOC") Guidelines, is unwelcome sexual advances, requests for sexual favors and other verbal, visual or physical conduct of a sexual nature when, for example 1) submission to such conduct is made

either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. These behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; threats, intimidation or hostile acts based on a personal characteristic; negative stereotyping; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment, on the basis of any other protected characteristic, includes any verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his or her relatives, friends or associates, and that 1) has the purpose or effect of creating an intimidating, hostile or offensive work environment; 2) has the purpose or effect of unreasonably interfering with an individual's work performance; or 3) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, during work time or using the employer's equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Harassment occurs in a variety of situations which all share a common element: unwelcome comments or behavior that affect the workplace. Harassment in any manner or form is expressly prohibited and will not be tolerated.

Harassment Reporting and Complaint Procedure

Individuals who believe they have been victims of harassment, sexual harassment, or sexual misconduct, or who believe they have witnessed harassment in any form or context, should promptly discuss their concerns with their immediate supervisor, their ministry director or Human Resources.

When possible, the Church encourages individuals who believe they are being harassed to advise the offender that his or her behavior is unwelcome and request that it cease. Often this action alone will resolve the problem. However, the Church recognizes that an individual may prefer to pursue the matter through management or Human Resources.

If a supervisor receives a complaint of harassment, he/she must report the complaint to their ministry director or Human Resources. If the complaint involves the Senior Pastor, the employee or supervisor needs to bring the matter to the attention of the Staff Parish Relations Committee. St. Luke's encourages prompt reporting of complaints and concerns so that rapid, constructive action can be taken before relationships become irreparably strained.

Retaliation against an individual for reporting harassment or discrimination, or for participating in an investigation for a claim of harassment or discrimination, is a serious violation of this policy. Acts of retaliation should immediately be reported to Human Resources or a member of Executive Staff.

All reported allegations of harassment, discrimination or retaliation will be promptly investigated. The investigation may include individual interviews with the parties involved and, when necessary, with individuals who may have observed the alleged conduct or possess other relevant knowledge. Confidentiality will be maintained throughout the investigatory process to the extent possible, while still allowing for an adequate investigation and appropriate disciplinary action, as needed.

SECTION II: EMPLOYMENT

Introductory Period

Employees must successfully complete a 90-day introductory period during which their performance, behavior and compliance with policies, rules and procedures will be monitored by their immediate supervisor. At any time before the completion of this introductory period and based upon the employee's ongoing performance and behavior, the Church may elect, at its sole discretion, to extend the introductory period or discontinue employment. At any time before or after the completion of the introductory period, employees are subject to termination without notice or requirement of cause and with forfeiture of accrued benefits to the fullest extent permitted by applicable law.

Wage and Hour Compliance

It is the Church's policy to compensate employees for all time worked in compliance with the Fair Labor Standards Act ("FLSA") and other federal and state laws. To ensure that employees are properly paid for all hours worked, and that no improper deductions are made, employees must review their paychecks promptly and report any errors to Human Resources or Payroll.

Hourly employees must record all hours worked. Hourly employees may not work any hours without reporting those hours to the Church. This includes, for example, time worked before or after the regular scheduled work day and during meal periods. No "off-the-clock" work is permitted. "Off-the-clock" work means work an hourly employee performs but fails to report on his or her time record. If an employee is asked to work without reporting his or her time by any supervisor or other individual, that employee must report the request immediately to Human Resources. Hourly employees will be paid for all hours worked.

If an employee believes there is a mistake in his or her pay (such as underreported hours, improper deductions or other error) or has any questions about pay, he/she must contact Human Resources or Payroll. If, at any time, an employee does not report or record all their time worked, or they are asked or encouraged not to report or record all their time worked, they should immediately contact Human Resources. If an employee is unsure of whom to contact, or if an employee has not received a satisfactory response, he or she should contact a member of Executive Staff. This procedure also applies where an employee believes he or she was retaliated against for making a report to Human Resources regarding wage or pay discrepancies.

An employee's report will immediately be investigated, and employees will be promptly paid for wages owed or reimbursed for any improper deductions from wages. Violators of this policy may be disciplined or discharged. Retaliation against an employee for making a report under this policy will not be tolerated.

Employee Classifications

All employees are designated as either non-exempt or exempt under federal and state wage and hour laws. The following is intended to help employees understand employment classifications, as well as employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate the employment "at will" relationship at any time is retained by both the employee and St. Luke's.

Non-exempt employees will receive overtime paid at 1½ times their base hourly rate for any hours worked over 40 hours in a workweek.

Exempt employees are exempt from the FLSA and paid a pre-determined salary. The salary is not subject to deductions for variation in the quantity or quality of the work performed.

St. Luke's has established the following categories for both non-exempt and exempt employees:

- **Full-time:** Employees who are not in a temporary status and who are regularly scheduled to work a minimum of 37.5 hours per week are generally eligible for all employee benefits, subject to the terms, conditions and limitations of each benefit program.
- **Part-time - benefits eligible:** Employees who are not in a temporary status and who are regularly scheduled to work a minimum of 30, but less than 37.5, hours per week are generally eligible for all employee benefits, subject to the terms, conditions and limitations of each benefit program. PTO accrual will be pro-rated based upon the amount of regularly scheduled work hours.
- **Part-time:** Employees who are not in a temporary status and who are regularly scheduled to work less than 30, but at least of 20, hours per week in their primary job¹ are generally eligible for PTO. PTO accrual will pro-rated based upon the amount of regularly scheduled work hours. Employees regularly scheduled to work less than 20 hours per week are not eligible for benefits, including PTO, unless specifically stated otherwise in Church policy or are deemed eligible in plan documents.
- **Temporary, Seasonal and Intermittent, full or part-time:** Employees who are hired as interim replacements, or to temporarily supplement the workforce, or assist in the completion of a specific project for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary, seasonal and intermittent employees are not eligible for benefits, including PTO, unless specifically stated otherwise in Church policy or are deemed eligible in plan documents.

¹ For purposes of this Policy, an employee's "primary job" is that job for which they are paid their regular salary or rate by the Church.

Background Checks

To ensure that individuals hired by the Church are qualified and that the Church maintains a safe and productive work environment, St. Luke's conducts pre-employment background checks on all applicants who accept an offer of employment. Background checks may include verification of any information on the applicant's application, resumé, and the background check release authorization form. Additional background checks, such as a driving record or credit report, may be conducted on applicants for particular job categories if appropriate and job related.

All offers of employment are conditioned upon receipt of background check results that are acceptable to St. Luke's. All background checks are conducted in conformity with the Federal Fair Credit Reporting Act ("FCRA"), the Americans with Disabilities Act ("ADA"), and federal and state privacy and antidiscrimination laws. Reports are kept confidential and are only viewed by individuals involved in the hiring process.

If information obtained in a background check leads the Church to deny employment, a copy of the report will be provided to the applicant upon their request, and the applicant will have the opportunity to dispute the report's accuracy. Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment. In instances where negative or incomplete information is obtained, the appropriate management and Human Resources will assess the potential risks and liabilities related to the job's requirements and determine whether the individual should be hired.

St. Luke's also reserves the right to conduct a background check for current employees to determine eligibility for promotion or reassignment in the same manner as described above.

Verifications of Employment and References

Human Resources is the only department authorized to complete verifications of employment and to provide references. Unless an employee specifically requests, and provides written authorization for, the release of additional information, Human Resources will only confirm dates of employment and position(s) held. Employees, other than those in Human Resources, are not authorized to respond to verifications of employment or to provide references. Current employees who receive inquiries regarding former employees should direct the inquiry to Human Resources.

Employee Personal Data

All employees are responsible for maintaining the accuracy of their personal data in the Church's database systems. This data may include, but is not limited to, items such as mailing addresses, telephone numbers, banking/direct deposit, income tax withholding, emergency

contacts, educational accomplishments, professional licenses, etc. as well as changes to benefits coverages through Open Enrollment or as necessitated by changes in family status.

Access to Personnel Files

Employee files are the confidential property of the Church and are secured in the Human Resources office. Only supervisors and designated representatives of St. Luke's, who have a legitimate reason to review information in a file, may be authorized to do so by Human Resources. Representatives of government or law enforcement agencies, as required in the course of their duties, may also be permitted access to file information. Employees may review their own files after requesting and receiving permission from Human Resources. Employee files may only be reviewed in the Human Resources office and in the presence of the Human Resources Manager.

Employment of Relatives and Personal Relationships

St. Luke's strives to ensure that its employment practices do not create situations, which could result in conflicts of interest or the perception of favoritism. Close relatives are not permitted to occupy positions that have a reporting responsibility (directing, managing or supervising) to each other. Further, no employee may take an action to influence (directly or indirectly) decisions relating to a relative's terms and conditions of employment (including, but not limited to, hiring, discipline, termination, compensation and benefits).

For the purposes of this policy, close relatives are defined as a spouse, domestic partner, child, parent, grand parent or child, brother, sister, in-law, step relatives, uncle, aunt, nephew, niece, cousins and those in a cohabitation relationship with the employee. Any exception to this policy must be authorized by the members of Executive Staff.

If employees begin a dating relationship or become relatives, and if one party is in a supervisory position relative to the other, that person is required to immediately inform their ministry director or Human Resources of the relationship.

In order for two or more relatives to be employed in the same department, but not in a direct or indirect reporting relationship, prior approval must be obtained from the members of Executive Staff.

If a working relationship contrary to this policy is created due to promotion, transfer, marriage or other circumstances, the affected individuals will, at the Church's discretion, be provided a reasonable time period to voluntarily comply with this policy. The Church cannot guarantee that transfer or reassignment requests would be approved. Transfers will be based on the Church's needs and available positions. If the situation is not resolved voluntarily by the employees, the members of Executive Staff will take appropriate action to achieve compliance with this policy and in accordance with applicable law.

Employee Conduct and Disciplinary Policy

In the interest of maintaining good working conditions, employees are expected to observe the Church's policies, rules and procedures including, but not limited to, those set out in this Handbook. Violation of any Church policy, rule or procedure will result in disciplinary action, up to and including termination of employment, at the discretion of the Church.

The Church will take into consideration all the circumstances involved, as well as the employee's overall work record, when determining appropriate disciplinary action for violation of Church policies, rules and procedures.

The following are some of the acts, which constitute violation of the rules of conduct:

- Failure to adhere to or comply with written Church policies and procedures.
- Falsification, misrepresentation or false recording of time records or any other Church record, including application for employment.
- Recording the time of another employee and failing to use the employee's own time record.
- Improper use or disclosure of confidential documents or information.
- Accessing confidential files, documents and information (whether in paper or electronic format), which are not necessary to the performance of an employee's assigned job duties.
- Excessive tardiness or absenteeism, regardless of the reason (does not include authorized leaves of absences).
- Absence of two consecutive days or three non-consecutive days within any "rolling" twelve-month period without notification or satisfactory reason (no call/no show).
- Insubordination or refusal to follow instructions or to perform assigned work.
- Inattention to job duties, sleeping while on duty, loafing or idleness.
- Abuse, waste or destruction of tools, equipment, supplies, goods or any other property belonging to the Church or a fellow employee.
- Commission of acts affecting the efficiency and productivity of other employees.
- Theft or dishonesty.
- Failure to fulfill job requirements or standards of efficiency and productivity.
- Creating or contributing to unhealthy or unsanitary conditions.
- Creating or contributing to hazardous conditions for the employee, coworkers, members, or other third parties.

- Failure to make a proper and timely report of an incident such as a workplace injury, defective equipment, etc.
- Improper dress or unsafe apparel.
- Possessing, manufacturing, distributing, delivering, dispensing, exchanging, selling or consuming alcoholic beverages while on Church premises, conducting Church business or at any time during working hours, whether or not on Church premises.
- Illegally possessing, manufacturing, distributing, delivering, dispensing, exchanging, selling or using drugs or any drug-related paraphernalia.
- Reporting for work or working while under the influence of alcoholic beverages or impaired by the use of drugs.
- Refusal to consent or submit to testing for the presence of alcoholic beverages and/or the illegal use of drugs when requested by the Church.
- Failure to successfully complete testing for the presence of alcoholic beverages and/or the illegal use of drugs when requested by the Church.
- Failure to notify the Church within five days following a conviction of or guilty plea to violation of any federal or state drug law.
- Indulging in disorderly conduct, horseplay, abusive, profane or offensive language or conduct on Church premises or while conducting Church business.
- Engaging in physical, visual or verbal harassment on account of sex, race, age, religion, national origin, ethnicity, veteran status, disability, or any other category protected by federal or state laws or local ordinances.
- Fighting, threatening, intimidating, attempting bodily harm or injury, or interfering with another person on Church premises or while engaged in Church business.
- Possessing or carrying weapons (such as firearms, knives or explosives) onto Church premises, including concealed weapons, except where the Church is prohibited by state law from banning concealed weapons in locked vehicles in its parking lots.
- Losing time from work as a result of conviction for a criminal offense.

Consequences of Violating Policies, Rules and Procedures

Violation of policies, rules and procedures, including, but not limited to, those set out in this Handbook, will result in disciplinary action, up to and including termination, at the Church's discretion. An employee may be placed on paid suspension during the investigation of an incident, on the recommendation of their supervisor or ministry director, and following consultation with Human Resources. Any of the following disciplinary actions can be implemented by the Church based on all the circumstances involved:

Verbal Warning

A verbal warning communicates the violation of policies, rules or procedures or unsatisfactory job performance. When a supervisor verbally counsels an employee about an issue of concern, a written record of the discussion is placed in the employee's personnel file for future reference.

Written Warning

Written warnings are used for serious behavior and/or performance violations and in situations when a verbal warning has not produced corrected, acceptable results. Written warnings are placed in the employee's personnel file.

Suspension

Suspension with pay will most often occur for employment infractions necessitating an investigation. During an investigation, the employee will remain in a paid status. Unpaid suspension may follow either a verbal or written warning when the infraction is 1) a blatant violation of St. Luke's policies; and/or 2) a repeated violation; or 3) an investigation is unnecessary due to the obvious nature of the infraction. Unpaid suspension may follow a paid suspension due to the results of an investigation.

Performance Improvement Plan

When an employee has been involved in a disciplinary situation that has not been readily resolved or when he or she has demonstrated an inability to perform work responsibilities as assigned, the employee may be given a final warning or placed on a Performance Improvement Plan ("PIP"). PIP status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements specified by the supervisor and the Church. At the end of the performance improvement period, the PIP may be closed or, if established goals are not met, employment may be terminated at the ministry director's discretion. PIP status will at no time change an employee's "at will" employment status; for the duration of the PIP the employee remains an "at will" employee, and his or her employment may be terminated for any legal reason by the Church.

Demotion and Reduction in Pay

When an employee is consistently unable to perform their work responsibilities at an acceptable level, the Church may decide to restructure their job to better incorporate the employee's abilities. Such a restructure is usually considered a downgrade or demotion and will usually also result in a reduction in pay.

Termination

Although usually viewed as an action of last resort, depending upon the nature and severity of the violation, termination of employment may be the first and only form

of disciplinary action taken. Most terminations occur when other forms of discipline have been exhausted and have failed to produce acceptable results. Termination will adversely affect rehire opportunities.

St. Luke's reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including verbal and written warnings, suspension with or without pay, demotion and termination.

Any disciplinary action beyond a verbal warning must be reviewed with Human Resources to ensure that such action is consistent with policy, properly documented, and consistent with the offense. In cases where termination of employment is deemed necessary, final approval must be obtained from the supervising member of Executive Staff.

Problem Resolution Procedure

Employees should discuss their questions and concerns with their immediate supervisor. A discussion, in private, is generally the simplest and most effective way of dealing with matters of concern. It is the supervisor's responsibility to see that the employee receives fair treatment.

If an employee is not satisfied with the answer to a question or concern, or is uncomfortable addressing issues with their supervisor, he or she should contact their ministry director or Human Resources.

Final authority for all disciplinary matters rests with the members of Executive Staff.

Separation of Employment

Separation of employment can occur for a variety of reasons, including but not limited to:

- **Resignation:** In order to help facilitate a smooth transition, employees who resign are encouraged to provide two weeks' written notice to their immediate supervisor. The Church reserves the right to provide an employee with two weeks' pay, in lieu of notice, in situations where the Church determines such action is warranted. If an employee provides less notice than requested, the Church may deem the individual ineligible for rehire depending upon the circumstances regarding the notice given.
- **Retirement:** Employees planning to retire are requested to provide written notification, to both their supervisor and Human Resources, at least one month prior to their intended retirement date.
- **Job abandonment:** Employees who fail to report to work or contact their supervisor for three consecutive workdays shall be considered to have abandoned their job without

notice. The supervisor is required to notify Human Resource at the expiration of the third workday and initiate termination paperwork. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.

- **Failure to return from a leave of absence:** Employees who fail to return to work as scheduled following a leave of absence shall be considered to have abandoned their job and are subject to the provisions detailed above.
- **Termination:** Employees of St. Luke's are employed on an "at will" basis, and the Church retains the right to terminate an employee at any time.

Exit Interview

Before leaving St. Luke's employment, Human Resources will schedule and conduct an exit interview with the separating employee. This document will become part of the exiting employee's personnel file.

Final Paycheck

The effective date of termination is the last day worked by the employee. In addition to final wages, eligible employees will be paid for any remaining paid time off ("PTO") accrued, but not used. If an eligible employee has taken PTO in excess of that accrued, their final paycheck will be reduced to reimburse St. Luke's the excess PTO. Any other money owed the Church such as employee benefits premiums, balances for childcare, etc. will also be deducted from the employee's final paycheck. Employees execute written authorizations permitting the deductions from their paychecks during new hire onboarding. Outstanding expense reports must also be filed to avoid being deducted for outstanding expenses charged on Church accounts and credit cards. Any money that the employee owes to the Church will be deducted from the employee's final paycheck.

Return of Church Property

Exiting employees must return all Church property at the time of separation, including but not limited to items such as badges, keys, credit cards, equipment and office supplies, as well as any documents or files, whether hard copy or electronic, belonging to the Church. Failure to return some items may result in additional deductions from the exiting employee's final paycheck.

Benefits at Separation

Depending upon the terms, conditions and limitations of each benefit, employee benefits cease with employment termination. Some benefits may be continued at the employee's expense, if the employee so chooses. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Severance Pay

Severance may be paid to employees who, through no fault of their own, are terminated from employment with the Church due to position eliminations, reductions-in-force or other Church business necessity. Severance is not paid to individuals who voluntarily resign or who are involuntarily terminated due to inadequate work performance or violation of Church policy. In order to receive severance pay, the employee will be required to sign an employment separation waiver and release.

Severance pay is based upon length of employment with St. Luke's. Employees must have completed at least one year of service to be eligible to receive severance. Eligible employees may receive one week of severance pay for each completed year of service. Severance is calculated using the base rate of pay for the employee's primary job and does not include pay for ancillary jobs or incentive pay. Part-time employees may be eligible to receive severance pay on a pro-rated basis.

Payment for severance is not an entitlement. St. Luke's reserves the right to determine when severance will be paid based upon the circumstances of the termination and the financial concerns of the Church.

Eligibility for Rehire

Employees who leave St. Luke's in good standing and are classified as eligible for rehire may be considered for reemployment. As with all applicants, former employees must meet all minimum qualifications and requirements of the position for which they are applying. Supervisors must obtain approval from Human Resources prior to rehiring a former employee.

Rehired employees become eligible for benefits just as any other new employee.

An employee who is terminated for violating a Church policy or who resigned in lieu of termination from employment will be ineligible for rehire.

SECTION III: WORKPLACE EXPECTATIONS

St. Luke's pays competitive wages, offers a variety of benefits, and provides professional development to its employees. In return, employees are expected to contribute a productive day's work and approach their jobs with a sense of dedication. All employees are expected to demonstrate a Christ-centered attitude toward other employees, members of the Church, visitors and other parties with whom the Church conducts business or provides services.

Confidentiality

Church employees and volunteers are often exposed to a great deal of confidential information. This assumes a significant amount of responsibility for those who have access to the sensitive material. Employees, volunteers, and members provide the Church with information about their demographics, finances, and their personal lives, trusting that those who have access to this sensitive information will maintain the highest level of confidentiality. The protection of confidential information is vital to the interests of the Church. Confidential information includes, but is not limited to, compensation data, financial information, personal information concerning those who have sought the advice and counsel of the Church, employee personal and medical information, passwords and/or security codes (to computer workstations, email accounts, security systems, etc.), and employment personnel information.

No confidential information should be disclosed to parties without a "need to know." If an employee questions whether certain information is considered confidential, he or she should first verify with his or her immediate supervisor or Human Resources before disclosing the information.

This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal Church communications. The misuse or unauthorized disclosure of confidential information, to parties to whom such information would not otherwise be available, will be subject to disciplinary action, up to and including termination of employment.

Conflicts of Interest

All employees of St. Luke's have a duty to be free from the influence of any conflicting interest when representing the Church in negotiations or dealing with third parties and are expected to deal with all persons doing business with the Church without favor or preference to third parties or personal considerations. "Conflict of interest" means any circumstance under which an employee, by virtue of financial or other personal interest, present or potential, directly or indirectly, may be influenced or appear to be influenced by any motive or desire for personal advantage, tangible or intangible, other than the success and well-being of the Church. Employees are strongly discouraged from accepting gifts or services from current or potential Church business associates, including vendors, as these may create a present or potential conflict of interest. Church personnel, property, equipment, technology, information, business

opportunities or goodwill may not be used for personal gain.

Employees who have questions about whether an activity violates this policy should discuss the matter with their ministry director or Human Resources.

Intellectual Property

Intellectual property refers to any work or invention (tangible and intangible) that results from the creativity of the mind and is protected by law against unauthorized use through patents, copyrights, trademarks, and trade secrets. For purposes of the Church, intellectual property may include, but is not limited to, music, art, literary work and media productions. Intellectual property created by an employee within the scope of his or her employment, along with any works that are specially commissioned by the employer, are considered works made for hire. Such works are the intellectual property of the employer. Accordingly, St. Luke's retains all rights to works made for hire created by its employees.

Employees may retain copies of their creative work for their own use so long as such use is legal, does not disparage the Church, harm its public image, or violate any of its policies, beliefs, or principles.

Outside Employment

Employees may engage in outside work, or hold other jobs, so long as doing so does not conflict with or otherwise compromise St. Luke's interests, or adversely affect the employees' job performance.

Employees are cautioned to carefully consider the demands that additional work activity may create before accepting outside employment. All employees are judged by the same performance standards and subject to the Church's scheduling demands, regardless of any outside work requirements. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, work overtime or different hours.

If St. Luke's determines that an employee's outside work interferes with job performance, the employee may be asked to terminate the outside employment to remain employed with the Church.

Employees are prohibited from unauthorized use of Church property, equipment, technology or application containing any confidential information in outside employment. In addition, employees are not to solicit or conduct any outside business during Church-paid working time. Outside employment is a conflict of interest and is not allowed when the outside employment relationship could have an adverse impact on the Church.

Office Hours and Work Schedules

The Church's main campus reception desk is open from 8:30 am – 5:00 pm, Monday through Thursday, and from 8:30 am – 3:00 pm on Friday. On Sundays, reception is open from 8:15 am – 12:30 pm. For most regular, full-time, lay employees, the workweek consists of a five-day, 37.5-hour week, Monday through Friday. An individual employee's work schedule, whether full or part-time, will be determined by their immediate supervisor, based upon the needs of the ministry or department, and the job requirements.

Attendance and Punctuality

St. Luke's expects all employees to maintain timely and reliable attendance at work. If unforeseen circumstances cause an employee to be absent, late, or leave early, the employee must promptly notify his or her immediate supervisor (or acting supervisor). Advising a co-worker of absence from work will not suffice for notifying the supervisor. If the employee's absence extends beyond one day in duration, the employee must keep his or her immediate supervisor apprised of the situation and anticipated return to work. Patterns of absenteeism, tardiness, or leaving work may result in the employee being subject to disciplinary action, up to and including termination of employment.

Employees are expected to work all of their scheduled work hours. Excessive break periods and breaks of extended duration will not be tolerated.

Failure to report to work and not calling to report an absence is considered a no-call/no-show and the first offense will result in a written warning. The second offense may result in termination of employment. A "no-call/no-show" lasting three days may be considered job abandonment and treated as an employee's voluntary resignation of employment.

Inclement Weather Conditions

St. Luke's will usually be open during normal office hours and seeks to minimize closures due to inclement weather conditions. If weather or other hazardous conditions would hamper employees' safety commuting to, from or remaining at work, the members of Executive Staff may choose to close the Church. Employees should contact their supervisor if they feel unsafe commuting to work, due to inclement weather, on a day when the Church is usually open. If the Church is officially closed, employees will be paid for their regularly-scheduled work hours.

Church closures will be posted on the Church website and recorded on the Church answering service. If potential inclement conditions exist, employees are responsible for monitoring these communications for updates regarding Church closure.

If an employee chooses to be absent from work beyond the time allowed for inclement conditions, they may use PTO or take the time without pay.

Personal Appearance

Every employee represents the Church in his or her personal appearance. It is important for all employees to project a professional image while at work. St. Luke's employees are expected to be clean, neat, and well-groomed while on the job. Clothing and other adornment, including visible tattoos and piercings, must be consistent with the standards of a professional, Christian business environment and appropriate for the type of work being performed. Jewelry, slogan wear and clothing inappropriate or contrary to St. Luke's beliefs, principles and public image may not be worn while at work.

St. Luke's is confident that employees will use their best judgment regarding attire and appearance. When in doubt, employees should choose the more conservative option. Ministry Directors have the responsibility to determine whether an employee's appearance is appropriate under this policy. Any employee who is improperly attired will be counseled or, in severe cases, sent home to change clothes. Continued disregard of this policy and the Church's notice to correct the inappropriate attire may be cause for disciplinary action, up to and including termination.

Use of Church Technology

St. Luke's technology systems are provided by the Church, for Church business purposes only.

Telephone and Fax Usage

Personal use of Church phones must be in accordance with Church policies and may not be used in any way that is disruptive or offensive to others. Employees are prohibited from using Church telephones for personal long-distance and toll calls. Charges incurred from an employee's personal use of Church telephones will be reimbursed to St. Luke's through payroll deduction from the employee's paycheck.

Computer, Email and Internet Usage

It is St. Luke's intent that this policy will minimize the potential risks associated with using its computers and connecting to the internet, without unduly limiting the potential benefits offered by immediate access to global information. All aspects of St. Luke's technology and communications systems, including but not limited to hardware, software, and all files and email, are the property of the Church. These technology and communications systems are business tools provided by the Church, for Church business purposes. Employees are responsible for using these resources in a professional, ethical, and lawful manner, and are expected to exercise good judgment in all email and internet transmissions. Use of email and the internet for viewing, downloading, copying, sending, printing, accessing, or processing personal information is strictly prohibited when used for purposes inconsistent with St. Luke's mission, ministries, policies, and procedures.

St. Luke's email system serves a primary vehicle for staff communications. To ensure that they remain well and timely informed, all employees are expected to check their Church email at least twice per workday. Email may be used for personal purposes only in accordance with St. Luke's policies and may never be used in any way that may be disruptive or offensive to others. Email should be drafted with the same thought and concern devoted to written or verbal communications. Email may not be used to solicit participation in any activity not directly related to or sponsored by St. Luke's (i.e., personal, commercial, political or charitable causes).

St. Luke's is not responsible for any damages, direct or indirect, arising out of the use of its internet or computer resources. The responsibility for and defense against such actions or claims is solely that of the employee.

Right to Monitor

Employees have no right to personal privacy in any matter created, received, sent, or stored on the Church's information and technology systems, whether or not the matter is designated as private or confidential by the employee. St. Luke's reserves the right to access all technology and communications systems for the purpose of supporting its mission and ministry, assuring compliance with statutory requirements, as well as internal policies supporting the performance of internal investigations, and assisting with the management of St. Luke's information systems. St. Luke's reserves the right to monitor and review email messages and internet use, without prior notice. This includes the right to monitor internet sites visited, duration of employee's internet use, and files which have been viewed, accessed or downloaded. Email messages and internet access are not private, and employees should not consider their email messages and internet access to be private. An employee's access code or password does not give him or her any right to privacy with respect to using the Church's email and internet systems.

Employees consent to access, examination, and disclosure of all electronic communications and activities when they use the Church's systems.

Systems Security

Employees must abide by security policies, procedures and guidelines in their use of the internet and refrain from practices which might jeopardize St. Luke's information systems. Employees should not open suspicious emails, pop-ups or downloads. Employees may not download or install software without prior approval from Systems Support.

Inappropriate or illegal use of St. Luke's technology and communications systems may be subject to disciplinary action, up to and including termination of employment. Because of its global nature, users of the internet may encounter material that is inappropriate, offensive, and, in many instances, illegal. The Church cannot control the availability of this information. Employees are therefore notified that they are responsible for the material they review,

receive, and download from the internet. When inappropriate, offensive, or harassing material is received from others inside the Church or from third parties outside the Church, employees must insure that their email is not viewed by others and they must stop the receipt of such inappropriate, offensive, or harassing material to the extent possible (including blocking messages from certain addresses).

Use of Social Media

Employees may not post financial, confidential, sensitive or protected proprietary information about St. Luke's, its employees, members, contractors or vendors on websites, including social media sites.

When posting on social media sites, employees must remember that they represent the Church by everything that they say, do and post. Employees are encouraged to write, do and say everything with a Christ-centered outlook, tone and attitude. When posting on a social media or other website, Church employees are requested to use the following disclaimer when discussing job-related matters, *"The opinions expressed on this site are my own and do not necessarily represent the views of St Luke's United Methodist Church."*

St. Luke's reserves the right to monitor content posted on the internet. Policy violations may result in discipline, up to and including termination of employment. Violations of this policy should be reported to Human Resources.

Additional information regarding employee use of Church resources is detailed in St. Luke's *IT Policies & Procedures Manual* under *"User Administration."* This manual is located on the Church's network.

Telecommuting and Flexible Work Arrangements

St. Luke's considers telecommuting a possible alternative work arrangement in situations where the employee and the job requirements are suited to such an arrangement. Telecommuting enables an employee to work at home or remotely for all or part of their regular workweek. Telecommuting may be informal, such as occasionally working from home or while traveling, or may be formalized as part of the employee's regular workweek schedule. Telecommuting is not an entitlement, is not a Church-wide benefit, and in no way changes the "at will" status or the conditions of employment with St. Luke's.

Employees requesting to telecommute as a reasonable accommodation should follow the Church's procedures on requests for reasonable accommodation.

Telecommuting is not intended to be a replacement for childcare. Although an individual employee's schedule may be modified to accommodate childcare needs, the focus of the arrangement must remain on job requirements, including the employee's performance, and meeting the Church's business demands.

Employees working from home are responsible for establishing an appropriate work environment. St. Luke's will not be responsible for costs associated with the initial setup of or modifications to a home office space. Equipment supplied by the Church will be maintained by the Church and is to be used exclusively for Church business purposes. Equipment supplied by the employee will be maintained by the employee. St. Luke's accepts no responsibility for damage or repairs to employee-owned equipment. If supplied with Church equipment, the employee will be required to sign an inventory list and agree to take reasonable efforts to protect the items from damage or theft. Upon termination of employment, all Church property must be immediately returned to St. Luke's.

Non-exempt employees who telecommute will be required to record all hours worked in a manner designated by the Church. Hours worked in excess of 40 per week (Sunday - Saturday) must be approved by the employee's supervisor prior to being worked. Failure to comply with this requirement may result in the immediate cessation of the telecommuting arrangement. Employees are prohibited from unauthorized work during their telecommuting work hours. Non-exempt employees who are permitted to telecommute must comply with the Church's timekeeping and payroll practices. Employees must accurately record all working time.

Telecommuting employees who are unable to work due to illness, or who wish to be relieved of responsibility for work on a particular day or days, must report their absence to their supervisor and use their PTO.

Telecommuting is not intended to permit employees to have time to work at other jobs or to run their own businesses. Failure to fulfill normal work requirements, both qualitative and quantitative, on account of other employment, may be cause for disciplinary action or termination of employment. Telecommuting employees must comply with all Church policies, rules and procedures.

Supervisors must clearly define performance requirements and standards that are measurable and results-oriented for each telecommuting employee. Supervisors must also monitor a telecommuting employee's performance in the same manner as for non-telecommuting employees.

Any Church materials taken home by or sent to the home of a telecommuting employee must be kept secure, confidential and not be accessible to others. The employee is responsible for securing Church property from theft. Employees must follow secure remote access procedures. Employees must maintain confidentiality by using passwords and maintaining regular anti-virus and computer backup. Employees may not download Church confidential information onto a non-secure device. Employees may not share their passwords with anyone outside of the Church. If any unauthorized access or disclosure occurs, the employee must immediately inform his/her supervisor.

The Church assumes no liability for injuries occurring in the employee's home workspace outside of work hours. Employees should note that some homeowner policies do not automatically cover injuries arising out of, or relating to, the business use of the home.

The Church will not be responsible for any injuries that occur to third parties working from a home site. The telecommuting employee is responsible for any injuries to third parties and should consult with their personal insurer regarding third party liability. Workers' compensation does not cover injuries to any third parties or members of the employee's family on the employee's premises. In the event of a job-related injury, the employee should report the incident to his/her supervisor as soon as possible, following the procedures outlined in the Church's Workers' Compensation Policy.

All telecommuting arrangements are made on a case-by-case basis, focusing first and foremost on the job requirements, the employee's reasonable accommodation (if applicable), and the business needs of the Church. Any telecommuting arrangement may be discontinued at any time, at the request of either the employee or the Church.

Policy Regarding Children in the Workplace

St. Luke's values family life and has worked to develop an environment which is supportive of families. While the Church is blessed to have a school and childcare onsite, and the special visits (i.e. holiday celebrations, etc.) from children enrolled in these programs are enjoyed, children do not otherwise belong in the work areas of the Church, with their employee parent, during the parent's work hours. Except for very brief periods, such as immediately preceding the start or following conclusion of the workday, it is not appropriate for children to be in the workplace on a regular basis. Employees are expected to have childcare arrangements for their children during their work hours.

If, due to an emergency, bringing a child(ren) to work is unavoidable, an employee must first obtain authorization from his or her supervisor, prior to bringing the child(ren) to work. Factors that supervisors will consider include the age of the child(ren), how long the child(ren) will need to be present, the work environment surrounding the employee's workspace and the potential for disruption to the employee's and co-workers' work. No child with an infectious disease should be brought into the workplace under any circumstances.

Employees who bring children to the workplace are responsible for all aspects of their child(ren)'s behavior. Children must always be accompanied by and under the direct supervision of their employee parent; co-workers will not be disrupted and pressured into caring for another employee's child(ren). Employees are responsible for their child(ren)'s safety and financially responsible for any damage caused by their child(ren). Under no circumstances are children permitted in high risk areas such as electrical or mechanical rooms, food preparation facilities, in areas where construction work is occurring, or any other area containing power tools or equipment with exposed moving parts.

An employee's supervisor has the authority to deny a request to bring children to the workplace. The employee's supervisor may also revoke any previously granted authorization if the child(ren)'s presence is determined to be disruptive.

Employees who violate this policy may be subject to disciplinary action up to and including termination of employment.

SECTION IV: WORKPLACE SAFETY

Smoke-Free Workplace

In order to provide a safe and healthy environment for all employees, St. Luke's strives to provide a smoke-free workplace. As a result, smoking in, and immediately around, Church buildings and Church vehicles is prohibited. Smoking is permitted in parking lots. The law defines smoking as the "act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind." For purposes of this policy, smoking also includes electronic cigarettes or "vapes." The use of chewing tobacco is expressly prohibited anywhere on Church premises. St. Luke's does not provide break periods for smoking. This policy applies to all employees and anyone else engaged in Church business or activities.

Drug-Free Workplace Policy

The Church is committed to maintaining a safe and productive work environment. Individuals under the influence of alcohol or impaired by drugs pose safety and health risks to themselves and others with whom they come in contact. It is the policy of the Church to keep the working environment free from alcoholic beverages and illegal drugs to avoid their adverse effects on job performance and safety.

The Church prohibits the use, possession, transfer, diversion, sale, purchase or offer to sell illegal drugs on Church property. For the purpose of this policy, Church property includes all properties and buildings, including parking areas, grounds, Church vehicles, personal vehicles used for Church business purposes, and all locations where employees are acting within the course and scope of their employment on behalf of the Church or conducting Church business. Employees are prohibited from possessing or using alcoholic beverages or being under the influence of alcohol while on Church premises or while working. If an employee fails to comply with these requirements, he or she will be subject to termination. The Church reserves the right to require employees to submit to a drug and/or alcohol test if there is reasonable suspicion that the employee is under the influence of drugs and/or alcohol.

Employees are required to notify their immediate supervisor within five days of any criminal drug or alcohol conviction where such conviction was due to an occurrence at the worksite, during work hours, or while on duty, official business or stand-by duty. Failure to report a drug or alcohol related conviction involving the workplace within five days will result in disciplinary action, up to and including termination.

Employees have no expectation of privacy in their persons or belongings while they are on Church premises or conducting official Church business. The Church reserves the right to periodically, and without prior notice, search the property and/or work space assigned to its employees, including inspection of the employee and the employee's personal effects, as well as the employee's private vehicles, while parked on Church premises. The Church reserves the

right to require employees to submit to a drug and/or alcohol test (to be conducted in a reasonable, lawful manner by a qualified, impartial individual) if a supervisor, ministry director or member of the Executive Staff has reasonable suspicion that the employee is under the influence of drugs or alcohol.

In the event a supervisor has concerns that a drug or alcohol abuse problem may exist in the workplace, or that any employee may be under the influence of drugs or alcohol, the supervisor should immediately notify their ministry director or Human Resources so that appropriate disciplinary action can be taken.

Substance abuse services are available to employees who participate in the Church group medical plan.

Use of Non-Prescription Medications/Prescription Drugs

The illegal possession and use of non-prescription medications or prescription drugs is prohibited by the Church's Drug-Free Workplace Policy. The appropriate use of non-prescription medications and the legal use of prescription drugs, as prescribed by a licensed physician, are not prohibited by this policy. However, employees must inform their supervisor if they are prescribed any type of medication, including over-the-counter, which impairs their ability to safely perform their employment duties (such as driving a Church vehicle, working on Church premises, or interacting with co-workers, children, members or otherwise conducting Church business). Employees must also inform their supervisor if they have received notice from a physician, pharmacist or medication label, warning the employee of a potential impairment from medication. Employees who fail to comply with these reporting requirements may be subject to disciplinary action, up to and including termination.

If an employee is found to be in possession of a prescription drug that cannot be verified as prescribed to that employee, the employee's supervisor may require the employee to provide proof of a current drug prescription (to be kept in confidence). The employee may verify a current drug prescription by: 1) producing a copy of the prescription; 2) producing a written statement from the prescribing physician that the employee has a current prescription for the drug; or 3) producing the prescription drug in the original container that identifies the employee under medical treatment, the drug, dosage, prescription date and the prescribing physician.

Guns and Other Prohibited Weapons

St. Luke's is a gun-free zone. Employees are prohibited from carrying guns (i.e. firearms), whether open-carry or concealed, on Church premises, in Church vehicles and during work-related Church events and activities, regardless of whether the employee has a license. This prohibition does not apply to Church parking lots and other parking areas where employers are

prohibited from banning licensed firearms and ammunition that are in an employee's private, locked vehicle.

Other weapons which employees are prohibited from carrying, whether openly or concealed, on Church premises and in Church vehicles, are explosive devices, electric stunning devices, switchblade knives, pocket knives with a blade longer than three inches, metal knuckles or any other device the primary purpose of which is to inflict bodily harm. The employee may keep legally-possessed knives in their locked, personal vehicles while parked on Church premises. The employee is solely responsible for keeping any weapons out of the reach of children and other people while on Church premises and while conducting Church business.

If reasonable suspicion exists that a gun or other prohibited weapon is being maintained, carried or stored in violation of this policy, St. Luke's reserves the right to conduct a reasonable search of the employee's person, their personal effects, work area and any Church vehicle, to investigate whether a prohibited weapon is present.

Employees who violate this weapon policy or refuse to consent to a search pursuant to this policy, will be subject to disciplinary action, up to and including termination. Compliance with this policy is a term and condition of continued employment with St. Luke's.

Any employee who observes someone on Church premises with a prohibited weapon should immediately notify Security or, in the event of an emergency, call 911.

Workplace Violence

St. Luke's recognizes that a place of employment safe from violence and the fear of violence is fundamental to the health and well-being of its employees. St. Luke's employees should work in an environment free from intimidation, threats, physical attack, and bullying or harassing behavior. Threats of violence of any kind, such as verbal or written abuse, stalking, harassment, horseplay, fighting, temper tantrums or other disruptive behavior (even if the statement or behavior is intended as a joke), unwelcome physical touching (sexual or otherwise), or physical assault, is strictly prohibited. As used in this policy, "violence" is defined to include the following:

- **Physical attack** is unwanted or hostile contact, including but not limited to hitting, fighting, pushing, shoving, or throwing objects.
- **Threat** is stating a present or future intention to cause harm to a person or to property belonging to a person. Any expression of intent to cause harm is a threat.
- **Bullying and Harassment** are communications or behaviors designed or intended to intimidate, menace, or frighten another person.

- **Property damage** is behavior or acts that contribute to the destruction or damage of another's property.

Acts of violence in any manner or form are expressly prohibited and will not be tolerated.

Any employee who experiences or witnesses an act of violence must immediately notify his or her supervisor, ministry director, Human Resources or a member of Executive Staff. A supervisor who receives a complaint of violence or has reason to suspect that acts of violence are occurring, must notify their ministry director, Human Resources or a member of Executive Staff.

Upon being informed of an allegation of violence, Human Resources or a member of Executive Staff will conduct an investigation. The members of Executive Staff will determine how best to respond. Appropriate disciplinary action will be taken, up to and including termination of employment and/or reporting the conduct to police authorities.

Employees who possess information regarding violence but fail to notify an appropriate person consistent with this procedure, will also be subjected to appropriate disciplinary action, up to and including termination of employment.

While St. Luke's requires employees to report incidents or threats of violent conduct, false allegations can irreparably harm an individual's reputation and limit his or her ability to perform job responsibilities. If an employee intentionally reports false allegations of violent conduct by another person, he or she will be subject to disciplinary action, up to and including termination.

Retaliation against an individual for reporting an act of violence, or for participating in an investigation for an allegation of an act of violence, is a serious violation of this policy and, like violence itself, will be subject to disciplinary action. Acts of retaliation should immediately be reported to Human Resources or a member of Executive Staff and will be promptly investigated and addressed.

SECTION V: COMPENSATION

St. Luke's seeks to provide equitable compensation for its employees, relative to internal and external considerations, while engaging in prudent financial management and recognizing that the Church's financial resources are not unlimited.

Time Recording

Reporting Time Worked for Non-Exempt Employees

All non-exempt employees are responsible for punctually and accurately reporting their time worked in the Church's time-reporting system in order to calculate the employee's pay and benefits. Time worked is all the time actually spent on the job performing assigned duties and other job-related activities for the benefit of the Church. An employee's immediate supervisor has the authority to correct errors in time reported prior to approving and submitting time for payroll processing. Non-exempt employees must accurately record the time they begin and end their work. Non-exempt employees must also record the beginning and ending time of any split shift or departure from work during their scheduled workday.

Overtime for Non-Exempt Employees

Only non-exempt employees are eligible to receive overtime pay. Overtime work must always be reported.

In accordance with the FLSA, any time worked in excess of 40 hours in a workweek (Sunday - Saturday) is considered overtime. Overtime hours will be paid at 1½ times the employee's base hourly rate. Overtime is not calculated on a daily basis. Overtime will occur only when necessary and must be approved by an employee's immediate supervisor prior to being worked.

Time worked on a holiday will also be paid at 1½ times the employee's base hourly rate. Holiday hours will be worked only when necessary and must be approved by an employee's immediate supervisor prior to being worked. Payment for the holiday will not be counted toward the hourly overtime calculation for the week. Any time away from work, treated as a paid absence, will not be considered as hours worked for the purposes of calculating overtime.

Exempt Employees

Exempt employees have the freedom and flexibility to adjust their work schedules based upon the duties and demands of their responsibilities. Though the amount of time spent at the Church may be different each day, it is understood that the total of hours spent fulfilling their responsibilities will rarely be less than those stipulated for their position.

Employees who regularly have Sunday programming/ministry responsibilities may be provided a day off during the week in lieu of Sunday. An employee's particular day off will be established in consultation with his or her immediate supervisor.

If the employee is absent from work without the consent and/or knowledge of their immediate supervisor, or without having requested PTO, the supervisor should inform Human Resources. It is the employee's responsibility to keep his or her supervisor notified of changes to their weekly schedule. Excessive or unauthorized absenteeism may result in disciplinary action, up to and including termination.

Rest Breaks

Rest breaks of brief duration (not exceeding 15 minutes) will not be deducted from total work hours. Rest breaks may not be taken in conjunction with meal periods or at the beginning or ending of scheduled work shifts. Non-exempt employees who leave the Church during a rest break are required to clock out when they leave and clock in when they return to work. Taking frequent breaks or breaks longer than authorized is contrary to St. Luke's rules and will result in wage deductions for the excess portion of the break and may also result in disciplinary action.

Meal Periods

Meal periods are unpaid and will not be included in the total hours of work per day. Non-exempt employees must clock out at the beginning of their meal period and clock in when they return to work. While on a meal break, non-exempt employees are to be completely relieved from duty and are not to engage in any work. Employees who fail to clock in/out as required for meal periods will be subject to disciplinary action.

Interrupted Meal Break

If a non-exempt employee's meal break is interrupted with necessary work, the employee must clock in to appropriately complete the work. If the employee is unable to clock in at the time of interruption, the employee must notify their immediate supervisor so that their time can be adjusted in the Church's timekeeping system.

Impermissible Use of Meal Period and/or Rest Breaks

Neither meal periods nor rest breaks may be used to account for a non-exempt employee's late arrival or early departure or to cover time off for other purposes (for example, rest breaks may not be accumulated to extend a meal period and rest break).

Complaint Procedure

If an employee believes this policy has been violated (for example, if a supervisor directs an

employee to work "off the clock" without receiving proper compensation), the employee should promptly report the suspected violation to Human Resources or a member of Executive Staff. The Church will promptly investigate the situation and take corrective action, if appropriate. No employee will be retaliated against or adversely affected for filing a complaint.

Payroll

Non-exempt employees, as well as exempt employees in positions with billable hours, are paid bi-weekly, 26 times per year, every other Friday.

Exempt salaried employees are paid semi-monthly, 24 times per year. Paydays are the 15th and last day of each month.

If a scheduled payday falls on a weekend or Church holiday, paychecks will be distributed the last workday day prior to the scheduled payday. The Finance Department posts the annual payroll schedules on the Church network.

To help ensure secure and timely receipt of their paychecks, all employees are encouraged to enroll in direct deposit.

Unless required by law, or authorized in writing by the employee, deductions are not taken from an employee's pay. Upon hire, all employees are required to sign a "Personal Charges Authorization," which permits the Church to recover an employee's personal expenses charged to the Church. Deductions are itemized on the employee's pay stubs.

Administrative Pay Corrections

St. Luke's takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on their scheduled payday. In the event there is an error in the amount of an employee's pay, the employee should promptly notify Payroll. The situation will be evaluated, and appropriate corrections will be made as quickly as possible.

Pay Deductions

Typical pay deductions may be divided into two categories – deductions required by law and deductions authorized in writing by employees for their own benefit. The law requires that St. Luke's make certain deductions from an employee's compensation. Among these are applicable federal income taxes; Social Security taxes up to a specified limit called the Social Security "wage base;" garnishments; and child support payments.

St. Luke's offers various benefits and programs beyond those required by law. If eligible to participate, employees may voluntarily authorize deductions in writing from their paycheck to

cover the cost of participation in these programs. Such programs may include, but are not limited to, the payment of group health insurance premiums, the retirement benefit plan, flex accounts, and earned income credit amounts.

Questions regarding deductions should be directed to Payroll or Human Resources. Any correction will be made promptly.

Performance and Salary Reviews

In order to ensure alignment of individual job performance with larger team goals and Church objectives, St. Luke's conducts periodic performance reviews. This process is designed to be open and constructive, where both the employee and his or her supervisor discuss performance strengths and areas for improvement, and also set goals to be accomplished during the next review period. Performance evaluation forms are signed by both parties and retained in the employee's personnel file.

- **New Hires:** New employees are reviewed upon the completion of 90 days of employment. This review will not usually include a salary adjustment.
- **Full and part-time employees:** Employees receive performance and salary reviews on an annual basis. Reviews may occur more frequently if warranted by either exceptional or inadequate performance. Annual reviews may or may not include a salary adjustment.

Budget allocations for salary adjustments are planned and approved prior to the start of each calendar year. The annual salary review process is designed to assist management in allocating merit-based and promotional increases which reward individual performance, are internally equitable and competitive with the external market.

Occasionally, salary adjustments may be requested or warranted outside of the annual salary review process. Out-of-cycle salary adjustments must be approved by a member of Executive Staff and authorized by Finance.

SECTION VI: HOLIDAYS, TIME OFF AND LEAVES OF ABSENCE

Paid Holidays

St. Luke's currently recognizes the following paid holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Monday after Easter
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day
- Day after Christmas
- One Floating Holiday selected by the employee

Human Resources posts a list of holidays for the upcoming year, and the dates of their observance, on the Church network no later than December of each year. Weekday ministries, and other entities needing to schedule holidays in advance, should coordinate with Human Resources prior to finalizing their calendars. At its discretion, St. Luke's reserves the right to change the paid holidays observed.

To be eligible for holiday pay, an employee must be:

- Employed on a full or part-time basis; *temporary, seasonal and intermittent employees are not eligible for holiday pay.*
- Regularly scheduled to work a minimum of 20 hours per week in their primary job.
- In an active, paid status; *inactive employees and employees on unpaid leave are not eligible for holiday pay.*
- At work, or on approved PTO, both the work day preceding and the work day following a holiday. An employee experiencing an unexpected absence immediately prior to or after a holiday may not be eligible for holiday pay. At the discretion of the employee's immediate supervisor or Human Resources, the employee may be asked to provide a physician's statement or other substantiating documentation, for their absence, to be paid for the holiday.

Prior to being taken, the employee's choice of a Floating Holiday must be approved by the employee's immediate supervisor. Floating Holiday must be taken as an entire day.

A non-exempt employee who works on a day that St. Luke's observes a holiday will be paid at 1½ times their base hourly rate. Holiday hours will be worked only when necessary and must be approved by an employee's immediate supervisor prior to being worked. Payment for the holiday will not be included in overtime calculations for the week in which it occurs.

If a holiday falls on an employee's regular day off, the employee will be permitted to take an equivalent day time off within the same week in which the holiday occurs. The employee's choice of day off must be approved in advance by their immediate supervisor.

Paid Time Off - PTO

PTO is available to employees to use for vacation, illness, medical leave or any other type of personal absence. Excluded from PTO are jury duty and time for bereavement, which are covered later in this section. Holidays that fall during an approved PTO period will not be counted as PTO days.

To be eligible for PTO, an employee must be:

- Employed on a full or part-time basis; *temporary, seasonal and intermittent employees are not eligible for PTO.*
- Regularly scheduled to work a minimum of 20 hours per week in their primary job.
- In active status; *inactive employees and employees on leave do not accrue PTO.*
- Have completed at least 90 days of employment. *If, due to illness or other personal emergency, a new hire must be absent prior to completing 90 days of work, their immediate supervisor must notify Human Resources. These situations will be handled on an individual basis.*

PTO Administration and Procedure

Prior to being used, PTO must be approved by an employee's immediate supervisor. Unanticipated PTO, such as for illness or personal emergency, must be submitted for approval immediately upon the employee's return to work.

PTO may be approved and paid for scheduled vacations prior to being accrued; scheduled vacations have definitive start and end dates. PTO for sick and other medical absences will only be approved and paid to the amount the employee has available; the duration of a medical absence may be indefinite.

Non-exempt employee use of PTO will be recorded based on actual time used. For example, a non-exempt employee who leaves work at 12:05 and is gone through the remainder of his or her work day, usually 5:00 pm, will have used 4 hours and 55 minutes of PTO. Exempt employee use of PTO must be in no less than quarter hour increments (i.e. 15 minutes). PTO may not be used to cover for an employee's tardiness or leaving early from work. Employees

may not use PTO to account for more hours than they are scheduled to work in a day.

New hires are not eligible to use PTO until they have completed 90 days of employment. PTO accrual for new hires is pro-rated during the first year of employment based upon date of hire. Starting January 1st of the year following their year of hire, new hires are credited with a full year of service for PTO accrual. For all eligible employees, PTO accrual starts on January 1st of each calendar year and ends on December 31st. If an employee does not report any PTO taken for an entire calendar year, the Church will presume that all PTO was taken, but not reported.

Excluding new hires, all employees are required to take at least five consecutive days of PTO each calendar year. Employees may be limited to no greater than two consecutive weeks of PTO. Requested PTO which exceeds two consecutive weeks must be approved by the employee's ministry director.

At the end of the calendar year, remaining accrued, unused PTO may be rolled over. Rollover PTO is limited to the prior year's accrued, unused PTO. The Church requires employees to use PTO toward any approved leave.

Employees may request approval for use of PTO via the Church's time reporting system. Rollover PTO will be applied prior to current year accrued PTO. Human Resources is responsible for maintaining records of PTO eligibility. Upon separation from employment, an employee's rollover and current year accrued, unused PTO will be paid out in their final paycheck.

PTO accrual is based upon an employee's standard scheduled work hours. The chart below illustrates PTO accrual, based upon hours worked and years of service, for some common work schedules.

PTO Eligibility & Accrual						
Length of Service	PTO Days/Year	PTO Hours/Year - 20 hrs/wk	PTO Hours/Year - 25 hrs/wk	PTO Hours/Year - 30 hrs/wk	PTO Hours/Year - 37.5 hrs/wk	PTO Hours/Year - 40 hrs/wk
1 - 4 years of employment	20	80	100	120	150	160
5 - 9 years of employment	25	100	125	150	187.5	200
10 -19 years of employment	30	120	150	180	225	240
20+ years of employment	35	140	175	210	262.5	280
Hours Worked/Year		1040	1300	1560	1950	2080
Accrual Factor		0.53	0.67	0.80	1.00	1.07

Reporting Extended Unscheduled Employee Absence

If an employee is absent for three consecutive work days and has not returned to work by the start of the fourth day missed, the employee's immediate supervisor must notify Human

Resources. Notification is required regardless of how much PTO is available to the absent employee. Reporting extended absences enables Human Resources and Payroll to timely process payroll, benefits and, if applicable, FMLA documentation. This policy section only applies to unscheduled employee absences. It also applies whether or not the employee is calling in each day to report their absence.

The Family and Medical Leave Act

The FMLA protects eligible employees who need to take leave due to:

- The employee's own serious health condition,
- To care for an immediate family member with a serious health condition,
- The birth of a son or daughter or to bond with a newborn or newly placed (adoption or foster care) son or daughter (newborn leave),
- For qualifying exigency when an employee's immediate family member is called to or is on military, covered, active duty status, or
- To care for an immediate family member, who is ill or injured, or recovering from illness or injury, who is a covered service member of the Armed Forces.*

For the purposes of this policy, "son or daughter" are limited to children under age 18. However, an adult child (age 18 or older) also qualifies as a "son or daughter" if he or she (i) has a mental or physical disability, as defined under the ADA; (ii) is incapable of self-care because of that disability; (iii) has a serious health condition; and (iv) is in need of care due to a serious health condition. "Immediate family" is defined as the employee's parent, spouse or child. "Covered service member" includes those on active duty, in the National Guard or Reserves, and veterans. For purposes of this policy, "veterans" are as defined by the U.S. Military.

FMLA leave may be paid, unpaid or a combination of both, depending on the circumstances of the leave and the employee's available paid leave, as specified in this policy.

To qualify for leave under FMLA, an employee must have:

- Worked for the Church for 12 months, *and*
- Worked at least 1,250 hours during the 12-month period immediately preceding the date when the leave commences. Time previously spent on leave, whether paid or unpaid, will not count as hours worked for purposes of this calculation and will not be included in determining eligibility for FMLA.

Amount of FMLA Leave

An eligible employee may take up to 12 weeks during a "rolling" 12-month period. The Church will measure the 12-month period backward, starting from the first date an employee uses any leave under this policy. Each time an employee takes FMLA leave, the Church will subtract it

from the 12 weeks of available leave, and the balance is the remaining amount of time the employee is entitled to take additional FMLA leave.

If a husband and wife both work for the Church and each wish to take leave for the birth of a child, or for a newly-placed adopted or foster child, or to care for a parent (but not a parent "in-law") with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. In the case of military caregiver leave, an eligible employee may take up to 26 weeks during a 12-month period. If a husband and wife both work for the Church and each wish to take military caregiver leave, the husband and wife may only take a combined total of 26 weeks of leave.

A newborn leave (for birth, placement, adoption or foster care of a child, or to care for a child after birth) must be taken in a continuous time period and may not be taken on an intermittent or reduced work schedule basis. A newborn leave must be completed within 12 months after the birth, adoption or placement of the child.

An employee may take leave for a serious health condition for him or herself, or a family member, in a continuous time period, in intermittent time periods (for example, a period of working followed by a period of absence) or through a reduced work schedule (reduced number of work days or hours). Leave for a serious health condition is permitted only for the period of the actual medically required absence.

Use of Paid and Unpaid Leave during FMLA Leave

All PTO runs concurrently with FMLA leave. Employees are required to use their PTO while on FMLA leave; it may not be reserved. Use of PTO enables an employee to remain in a paid status during the short-term disability elimination period or, if not eligible for short term disability, until PTO exhausts. During FMLA leave, rollover PTO is applied first, followed by current year accrued, unused PTO. Absent available PTO, the short-term disability elimination period will be unpaid and, if not eligible for short term disability, the entire FMLA leave will be unpaid. Employees do not accrue PTO while on leave. Employees may not receive more than 100% of their regular weekly compensation using any combination of paid benefits while on leave.

Benefits during FMLA Leave

While an employee is on FMLA leave, the Church will continue the employee's health benefits under the same terms and conditions as if the employee had continued to work. The employee is responsible for paying his or her employee portion of all health benefit premiums while on leave. Premiums will be deducted from the employee's PTO during the short-term disability elimination period leave or, if not eligible for short term disability, until PTO has been exhausted. Following this period, employee premiums will be paid via electronic funds transfer (EFT). Employees are responsible for establishing their EFT when they apply for FMLA leave. EFT premium payments will mirror the employee's payroll schedule and deductions. If an

employee fails to establish an EFT, or if the EFT results in insufficient funds, the employee risks losing their benefits. Failure to remit employee premiums within 30 days of when they are due will result in the cancellation of benefits. If the Church pays an employee's portion of the applicable insurance premiums while the employee is on FMLA leave, the Church may be entitled to recover the cost of such premiums from the employee.

Time on leave does not count as time worked for purposes of vesting in the retirement plan. Coverage will be reinstated only upon return to work when the FMLA leave has concluded.

Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide Human Resources with notice of the need for leave. When the need for the leave is foreseeable, the employee must provide the Church with at least 30 days' notice. Failure to give timely advance notice when the need for leave is foreseeable may result in the Church delaying the leave until 30 days after the notice is given. This 30-day notice requirement does not apply to qualifying exigency leave for a military service member. However, employees must give the Church notice of the need for FMLA qualifying exigency leave as soon as practicable. If an employee gives the Church less than 30 days' advance notice of the need for foreseeable FMLA leave, the employee will be required to explain why it was not practicable to give 30 days' notice.

When an employee becomes aware of a need for FMLA leave less than 30 days in advance, or when the leave is not foreseeable, the employee must provide notice as soon as practicable. This means that the employee must (i) give the Church notice on the same day he or she learns of the need for leave, or on the next business day, and (ii) give the Church notice in accordance with the its call-in procedures for reporting an absence. The notice should include the reasons for the requested leave, the anticipated start date of the leave and the anticipated leave duration.

Reporting an Absence to the Church

Employees must comply with the Church's usual procedures and time requirements for calling in absences and requesting leave. An employee's failure to follow the Church's established call-in procedures (absent unusual circumstances) or timely notify the Church regarding absence, may result in the FMLA leave being delayed or denied by the Church. If the FMLA leave is denied or delayed, the employee's absence may be unprotected and treated as unexcused ("no call-no show").

Designation of FMLA Leave

After the Church receives an employee's request for a leave of absence, the Church will notify the employee in writing or electronically whether he or she meet the eligibility requirements for leave under the FMLA; provide the employee with information regarding FMLA rights and

responsibilities; and identify and provide the employee with any certification required to support the request for leave. Employees requesting leave are obligated to provide any required certification to the Church within 15 days. Once the Church receives a complete and sufficient certification from the employee, the Church will notify the employee whether the absence will be designated as FMLA leave. If an absence is designated as FMLA leave, the Church will inform the employee of the amount of leave, effective from the first day of absence, that will be counted against his or her FMLA leave entitlement.

Certification of the Employee's or Family Member's Serious Health Condition

The Church will require medical certification for the employee's or family member's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in denial of continuation of leave or delay in approval for continued leave.

The Church may request recertification for the serious health condition of the employee or the employee's family member if the employee seeks an extension of his or her leave or if the Church receives information casting doubt on the reason given for the absence.

Return to Work from FMLA Leave

The Church may request an employee on FMLA leave to report periodically on their status and intent to return to work. Upon return from FMLA leave for his or her own serious health condition, an employee will be required to present a medical release from his or her health care provider.

To the extent required by all applicable laws, employees are guaranteed the right to return to their same or an equivalent position at the Church with no loss of benefits at the end of the FMLA leave, provided the employee seeks reinstatement before the expiration of 12 cumulative weeks of leave and can perform the essential duties of their position, with or without reasonable accommodation. Employees who do not request reinstatement and who do not return to work upon the expiration of their FMLA leave will be dismissed from employment. At an employee's request, the Church may grant a reasonable extension of leave for a specific duration, as a reasonable accommodation under the ADA or other applicable law. Employees who do not qualify for an extension of leave under the ADA will be dismissed from employment.

Dismissed employees may apply for future employment with the Church.

Military Leave and the Uniformed Service Employment Reinstatement Rights Act

St. Luke's supports and complies with the Uniformed Service Employment Reinstatement Rights Act ("USERRA") and applicable state law. This policy applies to an employee who volunteers or is called to active military duty. Employees who are granted a military leave of absence will

maintain a record of continuous employment with the Church and will be assured of employment upon release from service as required by USERRA.

All military leaves of absence are unpaid. Military training duty is not charged against regularly earned PTO but may be taken as PTO at the employee's request. No PTO will accrue, but full PTO benefits will be granted in the year the employee is called to active duty and again in the year of reinstatement. Regular pension contributions will be made on the employee's behalf on any wages that would have been paid during the time of leave. In accordance with other provisions of this policy, employees returning to work will resume PTO accrual at the normally scheduled rates as though no leave had occurred.

Employees taking part in a variety of military duties are eligible for benefits under this policy for military training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under applicable laws, these benefits are generally limited to five years of leave of absence.

Employees requesting leave for military duty should contact Human Resources to request leave as soon as they become aware of the need for leave.

For purposes of FMLA military-related leaves, a "son or daughter" means the employee's biological, adopted, or foster child, stepchild, legal ward, or a child for whom the employee stood in loco parentis, who is on covered active duty, regardless of the individual's age.

Qualifying Exigency Leave

For the purpose of FMLA qualifying exigency leave, "covered active duty" means (a) for a service member in the regular Armed Forces, duty during the deployment of the Armed Forces member to a foreign country; or (b) for a service member in the reserve component of the Armed Forces (Army National Guard, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve and Coast Guard Reserve), duty during deployment of the Armed Forces member to a foreign country under a call or order to covered active duty.

A "qualifying exigency" means:

- (1) Short-notice deployment: Leave needed to address issues arising from an employee's family member's notification of an impending call or order to covered active duty seven or fewer calendar days prior to the date of deployment—leave taken for this purpose can be used for a period of seven calendar days beginning on the date of the military member's notification.
- (2) Military events and related activities: Leave needed to attend official ceremonies, programs, or events sponsored by the military related to the covered active duty or call to covered active duty status of employee's family

member; and to attend family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross that are related to the covered active duty or call to covered active duty status of the employee's family member.

- (3) Childcare and school activities: Leave needed to arrange for alternative childcare; to provide childcare on an urgent, immediate need basis (but not on a routine, regular, or everyday basis); to enroll a child in or transfer a child to a new school or day care facility; and to attend meetings at a school or a daycare facility when such meetings are necessary.
- (4) Financial and legal arrangements: Leave needed to make or update financial or legal arrangements to address the employee's family member's absence and to act as the family member's representative before a federal, state, or local agency for purposes of obtaining, arranging, or appealing military service benefits while the military member is on covered active duty or call to covered active duty status, and for 90 days following the termination of the military member's covered active duty status.
- (5) Counseling: Leave needed to attend counseling provided by someone other than a health care provider for the employee, the employee's family member and/or the family member's child, provided that the need for counseling arises from the covered active duty or call to covered active duty status.
- (6) Parental care: Leave needed to care for a military member's parent who is incapable of self-care and when the care is needed as a result of the member's covered active duty (e.g., arranging for alternative care, providing care on an immediate need basis, admitting or transferring the parent to a care facility, or attending meetings at a care facility).
- (7) Rest and recuperation: Leave needed to spend time with the employee's family member who is on short-term, temporary, rest and recuperation leave during the period of deployment, to a maximum of fifteen days of leave for each instance.
- (8) Post-deployment activities: Leave needed to attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military within 90 days following the termination of the employee's family member's covered active duty status; or to address issues arising from the death of a family member while on covered active duty status.
- (9) Additional activities: Leave needed to address other events arising out of the employee's family member's covered active duty or call to covered active duty status, provided that the employee and Church agree that the leave will qualify as an exigency and agree to both the timing and duration of the leave.

Caregiver Leave

A “covered service member” means: (i) a member of the Armed Forces (including a member of the National Guard or Reserves), who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status; or is otherwise on the temporary disability retired list, for a serious injury or illness; or (ii) covered veterans who are undergoing medical treatment, recuperation or therapy for a serious injury or illness and who were members of the Armed Forces (including a member of the National Guard or Reserves) at any time during the five years preceding the date on which the veteran undergoes the medical treatment, recuperation or therapy. The medical treatment, recuperation or therapy must be related to a serious injury or illness (i) which was incurred while in the line of duty on covered active duty in the Armed Forces, or (ii) which existed before the beginning of military service, and which was aggravated by service in the line of duty while on covered active duty.

In the case of a member of the Armed Forces (including a member of the National Guard or Reserves), a “serious health condition” means an injury or illness that was incurred by the member in the line of duty on covered active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on covered active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating.

In the case of a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves), a “serious health condition” means (at any time during the five year period described in the definition for “covered service members”) a qualifying injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in the line of duty itself before or after the member became a veteran), and is: (1) the continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and which rendered the service member unable to perform the duties of the service members’ office, grade, rank, or rating; (2) a physical or mental condition for which the covered veteran has received a VA Service Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; (3) a physical or mental condition that substantially impairs the veteran’s ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment; or (4) an injury, including a psychological injury, for which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Medical Leave (Non-FMLA)

At the Church’s discretion, St. Luke’s employees who do not qualify for FMLA leave may apply for or be placed on medical leave for their own serious health condition or to care for an immediate family member with a serious health condition. “Immediate family” is defined as

the employee's parent, spouse or child. Medical leave is limited to 12 weeks within a "rolling" 12-month period calculated backward from commencement of the leave. Employees may only take medical leave in a continuous period except when an intermittent or reduced work schedule leave is required for a job-related injury or illness.

Use of Paid and Unpaid Leave during Medical Leave

All PTO runs concurrently with medical leave. Employees are required to use their PTO while on medical leave; it may not be reserved. Use of PTO enables an employee to remain in a paid status during the short-term disability elimination period or, if not eligible for short term disability, until PTO exhausts. During medical leave, rollover PTO is applied first, followed by current year accrued, unused PTO. Absent available PTO, the short-term disability elimination period will be unpaid and, if not eligible for short term disability, the entire medical leave will be unpaid. Employees do not accrue PTO while on leave. Employees may not receive more than 100% of their regular weekly compensation using any combination of paid benefits while on leave.

Benefits during Medical Leave

While an employee is on medical leave, the Church will continue the employee's health benefits under the same terms and conditions as if the employee had continued to work. The employee is responsible for paying his or her employee portion of all health benefit premiums while on leave. Premiums will be deducted from the employee's PTO during the short-term disability elimination period leave or, if not eligible for short term disability, until PTO has been exhausted. Following this period, employee premiums will be paid via electronic funds transfer (EFT). Employees are responsible for establishing their EFT when they request leave. EFT premium payments will mirror the employee's payroll schedule and deductions. If an employee fails to establish an EFT, or if the EFT results in insufficient funds, the employee risks losing their benefits. Failure to remit employee premiums within 30 days of when they are due will result in the cancellation of benefits. If the Church pays an employee's portion of the applicable insurance premiums while the employee is on medical leave, the Church may be entitled to recover the cost of such premiums from the employee.

Time on leave does not count as time worked for purposes of vesting in the retirement plan. Coverage will be reinstated only upon return to work upon the medical leave has concluded.

Medical Certifications

Employees must provide an initial medical certification from their health care provider under the procedures required for FMLA leave. The Church may request second and third opinions (at its expense) following receipt of the initial medical certification. Employees must provide re-certifications during their medical leave under the circumstances required for FMLA leave.

Prior to reinstatement from medical leave, employees must provide the Church with a written job-related release from their health care provider that they are able to perform their essential job functions, with or without reasonable accommodations.

Reinstatement from Medical Leave

An employee's reinstatement to work from medical leave is subject to the Church's personnel needs at the time the employee seeks reinstatement and can resume work. Employees are not guaranteed reinstatement or placement in their former or alternate positions or work schedules.

Employees who are medically released (full or partial) must notify Human Resources on the next work day. They will be reinstated to their former position, if vacant, provided the employee submits a satisfactory return to work release and can perform the essential functions of the position, with or without reasonable accommodations.

Employees who do not request reinstatement and who do not return to work upon the expiration of their medical leave will be dismissed from employment. At an employee's request, the Church may grant a reasonable extension of leave for a specific duration, as a reasonable accommodation under the ADA or other applicable law. Employees who do not qualify for an extension of leave under the ADA will be dismissed from employment.

Dismissed employees may apply for future employment with the Church.

Extension of Leave as a Reasonable Accommodation under the ADA

An employee who exhausts his or her medical-related FMLA leave but needs additional time off in order to return to work may qualify for a reasonable extension of leave under the ADA or other applicable laws. To qualify for a reasonable extension of leave under the ADA, the employee must: (1) request the extension prior to exhaustion of FMLA leave; and (2) provide Human Resources with a written statement from a treating health care treatment provider(s) confirming that:

1. The employee has a physical or medical impairment that substantially limits a major life activity (temporary, non-chronic impairments typically do not qualify as disabilities, e.g., broken bones, pregnancy, appendicitis, and non-chronic infections); and
2. A supplemental leave of specified duration will allow the employee to return to work and perform the essential function of the job in the near future.

In addition, there must not be other reasonable accommodation that would allow the employee to return to work and perform the essential functions of the job upon exhaustion of the FMLA leave.

The Church will evaluate timely requests submitted by employees on an individual basis and grant reasonable extensions of leave in compliance with the ADA and other applicable laws.

Vacation and Sick Leave Policies for Clergy

Vacation and sick time shall meet or exceed the policies for clergy approved by the Conference Board of Ordained Ministry and by the Texas Annual Conference. For purposes of PTO accrual, St. Luke's recognizes prior service with other Methodist churches of ordained clergy.

Voting in Government Elections

If an employee is unable to vote in an election before or after his or her scheduled work hours, the employee will receive two hours during the work day to vote, not including the time for the employee's required lunch break. Paid time off for voting should be reported and coded appropriately on timekeeping records.

Jury Duty

Jury duty and answering a subpoena to appear in court or at a deposition are viewed as civic responsibilities. Non-exempt employees regularly scheduled to work at least 20 hours per week will be compensated at their base hourly rate while fulfilling such obligations or as required by applicable federal or state law. Jury duty will not be considered hours worked or count toward overtime.

It is the employee's responsibility to notify his or her immediate supervisor that he or she has received a summons for jury duty. It is also the employee's responsibility to keep his or her immediate supervisor informed as to the expected duration of jury service. The employee must submit the jury service certificate (provided by the court) or a copy of their subpoena to their supervisor to properly document the absence. To ensure accurate reporting, the supervisor must then forward it Human Resources. If an employee is not selected for jury duty, he or she should report to work promptly after dismissal from jury selection.

Bereavement

In the event of death of an immediate family member, an employee may take up to three consecutive paid days off at their base rate of pay as paid bereavement leave. To be paid for any time taken beyond three days, the extra time must be approved PTO. Additional time off may be granted at the Church's discretion depending on business needs or employee requirements.

For purposes of this bereavement policy, "immediate family" is defined as the employee's parent, spouse, child, grandparent, grandchild, sibling, and in-laws. as spouse. Bereavement time taken for other relatives may be taken as approved PTO or unpaid time away.

Sabbatical

Ministers and ministry/department directors who have completed at least ten years of service with St. Luke's will be eligible to take a 2-month paid sabbatical for continuing education. The sabbatical must be approved by the Senior Pastor and Staff Parish Relations Committee and scheduled as far in advance as possible to ensure appropriate coverage of the employee's responsibilities while away.

SECTION VII: BENEFITS

St. Luke's offers its eligible employees a variety of benefits. Enrollment in benefits is voluntary. To be eligible for benefits, an employee must be:

- Employed on a full or part-time basis; *temporary, seasonal and intermittent employees are not eligible for benefits.*
- Regularly scheduled to work the minimum number of hours per week, in their primary job, as required by the particular benefit program.
- In active status; *inactive employees are not eligible for benefits except as required by applicable federal and state laws.*

At its discretion, St. Luke's reserves the right to change the benefits offered and available.

Health and Welfare Benefit Plans

The Church provides medical insurance, as well as other health and welfare benefits, to eligible employees. Further information regarding these benefits will be provided to eligible employees by Human Resources and are subject to change on an annual basis. Employee premiums paid for medical insurance and other benefits will be deducted from the employee's paychecks, following eligibility.

Clergy are not eligible to participate in the Church medical plan and are subject to guidelines established by the Texas Annual Conference.

Summary plan descriptions for each benefit are available from Human Resources and the Church's benefits database.

Consolidated Omnibus Benefits Reconciliation Act Coverage

As this law does not apply to churches, St. Luke's does not provide Consolidated Omnibus Benefits Reconciliation Act ("COBRA") coverage.

Texas State Continuation Coverage

In Texas, an individual who is covered under a group health plan either as an employee, spouse of an employee, or dependent child of an employee, may be eligible for nine months of State Continuation Coverage. In compliance with state law, St. Luke's provides State Continuation Coverage to eligible, terminating employees and their covered dependents. Human Resources will provide qualifying employees and their dependents with enrollment information no later than 30 days from the termination of employment.

Retirement Benefit Plan

Eligible lay employees (those who are regularly scheduled to work a minimum of 30 hours per week in their primary job) may participate in the 403(b)(7) retirement benefit plan established by the Church. Employees may enroll immediately or at the start of any payroll period. Contributions are paid via pre-tax payroll deductions. Under the current Plan, St. Luke's will contribute an amount equal to 6% of the employee's annual compensation, if the employee is also contributing at least 3% of his or her annual compensation to the Plan. The employee is eligible for the Church contribution following the completion of one year of service. The current vesting schedule is as follows:

Vesting Schedule for Staff Retirement Plan Matching Contributions	
<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 1	0%
1 year	25%
2 years	50%
3 years	75%
4 years	100%

Clergy are not eligible to participate in the Church retirement plan and are subject to guidelines established by the Texas Annual Conference.

Details of the retirement benefit plan are available from Human Resources.

Texas Workers' Compensation Coverage

St. Luke's carries workers' compensation insurance for all Church employees. The coverage is effective the first day of employment and provides protection to workers who may suffer occupational disabilities (accidents arising out of and in the course of employment and occupational diseases from illnesses resulting from exposure to particular elements during employment). The workers' compensation system is a state-regulated insurance program that: (1) pays medical benefits for treatments related to the worker's compensable injury or illness; and (2) provides income benefits to replace some lost wages for workers with compensable injuries or illnesses. Only injured or ill employees who, per their worker's compensation health care provider, must be absent from work for more than seven days of work are eligible to receive temporary income benefits (TIBs). Employees absent for less than seven days or absent beyond the amount of time specified by their worker's compensation health care provider, must use PTO to be paid during these excluded time periods.

An employee who is injured while on Church premises or while conducting Church business must promptly report the injury to his or her immediate supervisor. Supervisors must complete the "Employers First Report of Injury or Illness" form and forward it to Human Resources. These

forms are available on the Church's network and in the mailrooms. Human Resources is responsible for notifying the worker's compensation insurance carrier.

If an employee must miss work beyond the day of injury, a doctor's release will be required for the employee to be allowed to return to work. The original release must be submitted to Human Resources, who will file it with the worker's compensation insurance carrier.

Unemployment Compensation

St. Luke's, as a religious organization, is exempt from state unemployment compensation laws. Employees are not eligible to collect such benefits.

Continuing Education - External Training, Seminars and Conferences

St. Luke's supports the professional development of its employees and encourages them to pursue continuing education which expands their competencies and enhances their job performance.

Requests for continuing education must be submitted to the employee's Ministry Director. Ministry Directors' requests must be submitted to their Executive Director and requests from members of Executive Staff must be submitted to the Senior Pastor. The request must include the dates and total cost (fees and any travel expenses) of the event, as well as an explanation of how participation will benefit St. Luke's and enhance the employee's job performance.

If an employee will participate in continuing education as an event leader, the request must be approved by his or her immediate supervisor. The request must also include documentation detailing the nature of the leadership role, the dates of the event, and whether there is any cost to St. Luke's for travel or other expenses relating to the event. If the employee is receiving compensation for his or her role in the event, then any expenses relating to the event will not be paid by St. Luke's.

Approval of requests for continuing education are subject to the availability of ministry funds and staff, as well as consideration of ministry workload. Consequently, employees are encouraged to submit their requests as early as possible.

Tuition Reduction Benefit for Day School, After School Care and Summer Camp

St. Luke's offers eligible employees a tuition reduction when their children enroll in the Day School, After School Care and Summer Camp programs. Enrollment in these programs is voluntary. In order to be eligible for these benefits, an employee must be:

- Employed on a full or part-time basis; *temporary, seasonal and intermittent employees are not eligible for tuition reduction benefits.*
- Regularly scheduled to work a minimum of 20 hours per week in their primary job.

- In active status; *inactive employees are not eligible for tuition reduction benefits.*

Eligible children are those that are:

- Born to, adopted by or are stepchildren of the employee *and*
- Properly claimed on the employee's federal income tax return as an exemption.

Dependents of employees who are regularly scheduled to work a minimum of 30 hours per week in their primary job pay 70% of their tuition and 100% of all fees (such as supply fees) for all tuition-based programming offered at St. Luke's. Employees regularly scheduled to work less than 30, but at least 20, hours per week in their primary job pay 85% of their tuition and 100% of all fees. If a dependent student withdraws from classes during the year, any refund will be applied at a discounted rate.

The Internal Revenue Code places an annual limit on the amount of childcare benefits that a family can receive without paying federal income taxes on the benefit. Any childcare benefits that an employee receives for their children enrolled in St. Luke's programs beyond the IRS annual limit will be subject to federal taxes. The annual limit applies to the sum of all childcare benefits, which includes the Dependent Care Reimbursement Account, benefits received under this policy for St. Luke's programs, and benefits received from any other source outside of St. Luke's.

Tuition reduction applies only to Day School, After School Care and Summer Camp. Ancillary Children's programs, as well as those from other ministry areas including Youth and Fine Arts, may also offer scholarships and discounts but those are not covered by or included in this Tuition Reduction policy.

Church employees are expected to keep their children's tuition current as a condition for receiving Church assistance. Questions related to this policy should be referred to the Director of Finance & IT.

Onsite Childcare

St. Luke's provides onsite fee-based childcare for employees with young children. Employees who are interested in the Kingdom Kids program should contact the Children's Ministries Nursery Coordinator.