



EVANGELICAL LUTHERAN CHURCH IN AMERICA

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Personnel Policies Of The Churchwide Organization

EVANGELICAL LUTHERAN CHURCH IN AMERICA

ELCA Personnel Policies of the Churchwide Organization

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PREFACE

The Evangelical Lutheran Church in America "...is a people created by God in Christ, empowered by the Holy Spirit, called and sent to bear witness to God's creative, redeeming, and sanctifying activity in the world." (ELCA Constitutions, Bylaws, and Continuing Resolutions, Chapter 4.--Statement of Purpose).

In all of its service, both within the churchwide organization and in the fulfillment of this church's mission in the world, the employees of the Evangelical Lutheran Church in America (ELCA) shall carry out the duties to which they are assigned, in faithfulness to the faith and mission of the ELCA.

Human Resources shall recommend to the Church Council personnel policies for the churchwide organization, except as otherwise determined, including salaries, fair practices, staff position descriptions, and training. Upon approval by the Church Council, Human Resources shall be responsible for the implementation and evaluation of the personnel policies.

It is the policy of the churchwide organization that all employees shall be treated consistently and shall be able to perform their duties in a safe environment.

These personnel policies have been prepared in order that every employee of the churchwide organization may know the terms of employment that will govern his or her relationship with the churchwide organization. It is the responsibility of unit executives and supervisors within each unit to administer these policies, with respect to persons in the employ of the Evangelical Lutheran Church in America. Questions regarding interpretation of policies should be directed to the Executive for Human Resources.

About the ELCA Personnel Policies

The Personnel Policies of the Churchwide Organization of the Evangelical Lutheran Church in America are available to all employees in three ways: (1) online on the ELCA Intranet, (2) on the internet at www.elca.org/hr/pol/index.html, and (3) in print in each unit.

It is each employee's responsibility to read and comply with the personnel policies and any revisions made to them. The ELCA Church Council has the authority to make changes to the personnel policies without prior notice. In addition, the ELCA may deviate from its stated policies at its sole discretion as individual circumstances warrant. These policies and any revisions revoke and supercede any and all previous versions of the policies.

The Personnel Policies of the Churchwide Organization are not a contract of employment. Except in the case of a written employment contract, signed by the Executive for Human Resources and a specific individual, that states otherwise, every employee of the Churchwide Organization is an at-will employee. This means that either the employee or the ELCA may terminate the employment relationship at any time, with or without cause or advance notice.

1.0 GENERAL

1.1 Authority

Adoption of these personnel policies by the Church Council is granted by the general authority in the Constitutions and Bylaws of this church. Nothing in these personnel policies shall conflict with the ELCA Constitutions, Bylaws, and Continuing Resolutions.

1.2 Scope

These personnel policies apply to all units, budgeted or non-budgeted, in the churchwide organization, except where the Church Council, ELCA Constitutions, Bylaws, and Continuing Resolutions have granted an exception, as provided for in Section 1.6. This includes all business enterprises and employee benefit plan administrators. These personnel policies are to be used as guidelines to regional centers and synods.

1.3 Program and Services Committee

The Program and Services Committee will bring reports and recommend policies to the Church Council.

The Executive for Human Resources will make recommendations regarding policies and revisions of policies to the Program and Services Committee.

1.4 Personnel Officer

The Executive for Human Resources will serve as the personnel officer of this church. The Executive for Human Resources will coordinate administrative practices relating to personnel, so as to maintain consistency and equity in dealing with employees of this church. The Executive for Human Resources shall have responsibility for monitoring and coordinating activities to achieve equal employment opportunity goals.

1.5 Distribution of Personnel Policies

The Personnel Policies of the Churchwide Organization are distributed by Human Resources to all staff with supervisory responsibilities and will be available to all employees. Unit executive directors and Executives for sections are required to keep their copy of these policies updated and to inform their staff of policy changes, as approved by the Church Council.

1.6 Exceptions

Exceptions to these personnel policies may be granted from time-to-time by the Executive Committee of the Church Council and Human Resources, when it is judged that such exceptions are in the best interest of both this church and the employees concerned. Any exception will be reported at the next Church Council meeting.

1.7 Amendments

The Church Council may, from time-to-time, adopt amendments, corrections, additions or deletions to these personnel policies. Any such changes shall apply both to persons employed at the time the change is adopted and to persons employed thereafter, unless the Church Council's action specifically provides to the contrary.

1.8 Personnel Representatives

A personnel representative shall be available in each unit for employees to communicate with regarding suggestions, concerns, and information. Unit personnel representatives will communicate information regarding issues and needs, as they surface, to the Executive for Human Resources.

2.0 DEFINITION OF TERMS

2.1 Employee

As used herein, the term "employee" will apply to any person in the employ of the churchwide organization, including deployed staff, who perform executive, administrative, advisory, technical, editorial, secretarial, clerical, ministry, or service functions on an established salary basis. An erroneous classification could result in the failure to pay appropriate state and federal taxes required for all employees.

The term "exempt employee" (executive staff) means an employee who meets the conditions for exemption from coverage by the Fair Labor Standards Act, namely, those persons employed in a bona fide executive, administrative, or professional capacity. These positions are not eligible for overtime pay or compensatory time off (in lieu of overtime).

The term "non-exempt employee" (support staff) means an employee who is covered by the Fair Labor standards Act. Non-exempt employees are eligible to receive overtime pay at the rate of one and one-half times their regular rate of pay for all hours worked in excess of 40 hours in a work week. The regular rate for an employee working a fixed work week less than 40 hours is computed by dividing the fixed weekly wage by the number of hours in the work week.

2.2 Employing Unit

As used herein, the term "employing unit" shall mean the churchwide unit or section by which the employee has been employed.

2.3 Executive Director or Executive for Sections

As used herein, the term "executive director" or "executive for" shall mean the primary official of each churchwide unit or section.

2.4 Work Week

In order to accommodate the various nationwide time zones, locales, and travel situations, ELCA's usual working hours may range from 7:00 a.m. to 5:30 p.m. "Core" time (that time in which all employees are expected to be at work), is from 9:00 a.m. to 3:00 p.m. The summer flexible schedule may be an exception (Section 9.7). The work week will normally be Monday through Friday, within the period of Sunday through Saturday. Work schedules are to be coordinated through supervisors.

3.0 EMPLOYEE CLASSIFICATIONS

All employees are considered staff of the churchwide organization and the underlying organizational principles shall be that of a unified work force. Where it is required by law, distinctions will be made between those considered exempt or non-exempt by the Fair Labor Standards Act.

3.1 Full-Time Regular Employees

Full-time regular employees, as opposed to full-time temporary employees, are employees who work on a regular, ongoing schedule of 40 hours per week. They may be exempt or non-exempt, and are eligible for all benefits provided by these policies.

3.2 Part-Time Regular Employees

Part-time regular employees, as opposed to part-time temporary employees, are employees who work on a regular, ongoing schedule of less than 40 hours per week. They may be exempt or non-exempt.

- A. Part-time regular employees who work at least 20 hours per week will accrue vacation credits on a prorated basis, reflecting their percentage of full-time employment.
- B. Part-time regular employees will be eligible for holidays (Section 9.4), time off for voting (Section 9.6), sick leave (Section 11.1), payment for unused vacation (Section 11.3), and other absences from work as described in Sections 11.4 through 11.12.
- C. The benefits described in Sections 10.5 and 10.8 are provided through the Board of Pensions, and are available to part-time workers who work 20 or more hours per workweek for six or more months per year.
- D. Part-time regular employees will be eligible for survivor benefits under Section 10.9 and for the Employee Assistance Program under Section 10.10.
- E. Staff Training and Development benefits, under Section 13.0, are available to part-time employees.

3.3 Term Employees

An individual may be employed for a specified period of time under terms and conditions set forth in an agreement between the individual and the Evangelical Lutheran Church in America. Such agreements must cover:

- A. The beginning and ending date of the period to be worked;
- B. Remuneration for services, including expenses for incidentals (lodging, food, mileage, etc.), if any;
- C. Benefits, if any. Such benefits, if included, may accrue on a prorated basis for individuals who work 20 hours per week or more;
- D. Provisions and schedule for performance review;
- E. Responsibilities (tasks to be performed); and
- F. Accountabilities (person to whom the individual reports).

Term employment may be full-time or part-time, exempt or non-exempt. Individuals employed as term employees must be covered for social security benefits unless they meet the definition of an "independent contractor." (See Section 3.5)

3.4 Temporary Employees

Individuals hired for temporary work may be full-time or part-time, exempt or non-exempt, and are not eligible for any of the benefits provided under these policies. However, temporary employees are subject to social security contributions on their wages.

Employees from temporary employment agencies hired for specific assignments are the employees of the employment agency and not of the churchwide organization.

3.5 Contract with Independent Contractor

The churchwide organization may enter into a contract with an individual or company that provides services or products as an independent contractor. Independent contractors are not entitled to workers' compensation or other benefits provided in these policies.

All independent contractor agreements must be initiated in consultation with Human Resources and approved by the Executive for Human Resources, the ELCA Controller and the executive director or executive of the unit or section.

To assist in determining the status of a Term Employee or an Independent Contractor, an “Employee vs. Independent Contractor Checklist” may be obtained from Human Resources.

4.0 SERVICE TIME

4.1 General Principle

No rights shall accrue to an employee by virtue of service time, except as specifically stated in these policies; however, in the selection of vacation periods and similar matters, if other factors are equal, preference will be given to employees with the longest period of service.

4.2 Creditable Service Time

If an employee's service has been continuous, the date from which creditable service is computed will be the date on which the individual commenced full-time employment with this church or its institutions, a congregation, or a synod.

If a portion of an employee's creditable service time has been on a regular, part-time basis rather than on a full-time basis, the Executive for Human Resources will determine whether the beginning date will be the date on which the employee began part-time work or if an adjusted date, reflecting the full-time equivalent of that service, will be used. In making such a determination, consideration will be given to the nature and extent of the creditable time that was not on a full-time basis. This determination is to be communicated to the employee, in writing, by the Executive for Human Resources.

4.3 Reinstatement

Should a former employee be re-employed after an absence of one year or less, he/she will be reinstated without loss of creditable service time. Should a former employee be re-employed after an absence of more than one year, accrual of creditable service time will commence in the same manner as if he/she were a new employee.

4.4 Anniversaries

Employing units are expected to recognize and honor extended periods of service in the church, at successive, five year intervals. This recognition may be given at appropriate times such as board of trustees meetings, program committee meetings, advisory committee meetings, staff meetings, and church assemblies, and shall include presentation of a standardized form of appreciation. In addition to the employing unit's recognition of service, there shall be an annual churchwide office event honoring retirees and employees who retired or celebrated anniversary events since the previous annual event. The annual celebration will be the responsibility of Human Resources.

5.0 RECRUITMENT AND EMPLOYMENT

5.1 Inclusiveness in Employment

This church is committed to both the spirit and the applicable legal requirements of equal employment opportunity. Consistent with this commitment, the continuing policy of this church is to afford equal employment opportunity to qualified persons in all aspects of the employment relationship, including hiring, compensation, promotion, demotion, transfer, selection for training opportunities, layoffs, discharges, and retirement.

When the Executive for Human Resources, in consultation with the executive director of the unit, or executive for a section, determines that there is a need for an ordained, clergy employee and/or an employee with Lutheran theological background, training, or experience, only individuals with those qualifications will be considered.

5.2 Application Form

An employment application form will be prepared and distributed by Human Resources, for use by applicants and all employing units. All applicants must complete the employment application form and all forms necessary to complete background checks and investigations as determined by Human Resources.

In addition, all applicants who are rostered must provide a complete set of their current mobility papers to the Office of the Presiding Bishop.

5.3 Personnel Records

Human Resources maintains an individual file for each employee, containing his/her employment application form, background checks and investigations, payroll authorizations, salary information, attendance records, performance appraisals, and other pertinent documents pertaining to such things as: sabbatical leaves, continuing education leave, etc.

Employee records are personal and are kept in a locked file, to be accessed only by persons authorized by the Executive for Human Resources. Employees have the right to review their individual personnel file and all documents contained therein, at a time mutually convenient to the employee and Human Resources. Such review must occur within Human Resources, and nothing may be removed from or added to the file. An employee may obtain a copy of a document(s) contained in their file by requesting it from a staff member of Human Resources.

Each employing unit may keep an individual file for its employees, as necessary, but should avoid unnecessary duplication of the information kept in Human Resources. Such files should meet the above criteria.

5.4 Employment of Relatives and Contractual Agreements

Within the churchwide organization, persons who are related will not be employed or engaged under contract in a relationship wherein one relative reports to the other. However, when approved by the employing unit's executive director or director and the Executive for Human Resources, two related persons may share the same position.

If two persons who are churchwide organization employees within the same unit marry, resulting in one spouse reporting to the other, every effort will be made to transfer one of them, by mutual agreement, to another unit.

The Executive for Human Resources will be consulted before a decision is made to employ, contract with, or transfer an employee under this policy.

Relatives are defined as: children, parents, spouse, brothers, sisters, in-laws, grandparents, grandchildren, aunts and uncles.

5.5 Employment, Call, and Contract Procedures

After an executive staff employee has been selected in accord with relevant governing documents, and approved by the appropriate officer, unit executive director, or executive for a section, and the Executive for Human Resources, a Letter of Employment is sent by Human Resources to the individual. Human Resources also sends a Letter of Employment to support and technical staff individuals whose selection has been approved by the appropriate officer, unit executive director or executive for a section, and the Executive for Human Resources.

In addition, a Letter of Call is prepared and sent by the Office of the Secretary to those on the roster of ordained ministers of this church, a Letter of Call to those on the roster of associates in ministry of this church, and a Letter of Invitation to non-rostered employees of this church.

Term Letters of Call/Appointment that set specific start and end dates of employment are issued by the Office of the Secretary for rostered persons, in conjunction with Letters of Employment.

The churchwide organization also enters into contractual agreements with certain employees. These contracts will provide for a start date, a specific salary, and an end date. The hiring administrator and the Executive for Human Resources shall determine whether an employee on a work contract is or is not eligible for the benefits described in these personnel policies, or for health and pension benefits provided by the Board of Pensions. Employees on work contracts shall not be eligible for such benefits unless the employee's work contract specifically provides for the benefit.

5.6 Position Posting

It is the policy of this church that executive staff position vacancies will be posted locally, in synod, regional, and churchwide offices. Further, positions in the regions and synods will be posted at other church-related offices. Positions will also be announced (posted) through this church's official media and by other means. Such posting will include the position description and data relating to the methods of application for the position. Vacancies for support staff positions will be posted internally, at churchwide offices, and will be publicized locally (in the Chicago area).

Exceptional situations may require filling positions without posting. The appropriateness of this action will be determined by the Executive for Human Resources, in consultation with the executive director of the unit or executive for a section.

5.7 Promotion and Transfer

The Evangelical Lutheran Church in America churchwide organization is committed to encouraging employees in their professional growth (see especially Section 13). Opportunities for such growth may include promotion and/or transfer to another position.

Positions may be filled by promotion from within the churchwide organization, whenever such a procedure is considered to be in the best interest of the organization by the executive director of the unit or executive for a section in which the position exists and by the Executive for Human Resources. In making or recommending a promotion, consider personal achievement, behavior, and ability as well as the employee's past contributions to the churchwide organization. An employee should be employed in their current position a minimum of six months before applying for a new position.

- A. Within the unit or section. In filling a position by promotion, the position (after announcement to all employees within the organizational unit or section in which the vacancy exists who are in a salary grade with a point value lower than the open position) may first be offered to any such employee within the unit or section who meets the minimum qualifications for the position.
- B. Other units or sections. If no candidate within that unit or section is selected for the promotion, the position (following posting) may be offered to the employee in any other churchwide organizational unit or section who applies to Human Resources, is in a salary grade with a point value lower than the open position, and meets the minimum qualifications for the position.
- C. Open list. If the position cannot be filled under paragraph 1 or 2 above, the position shall be filled from other qualified applicants for the position.
- D. When determined appropriate or necessary by the Executive for Human Resources in consultation with the hiring unit or section, applicants, including existing staff, will be subject to background checks and investigations when applying for or accepting other positions within the churchwide organization.

5.8 Consideration of Employees for Position Vacancies in Other Units or Sections

When a position becomes available in a unit or section, employees from other units or sections are not to be directly contacted by anyone from the unit or section in which the vacancy occurs, for the purpose of seeking to fill the position, unless authorized by the Executive for Human Resources. The executive director or director of the unit or section in which the potential employee is currently working is also to be made aware of any planned contact.

5.9 Purchased Labor

Human Resources is responsible for the purchase of all labor services through temporary employment agencies.

5.10 Health Examination

The Executive for Human Resources, in consultation with the unit executive director or director, may require a post-offer or post-employment health examination of employees, for the purpose of determining each person's capability to perform the duties of his or her position.

5.11 Hiring Procedures

Human Resources will be notified in advance of all position vacancies, transfers, promotions, demotions, or terminations in churchwide units or regions. Any and all negotiations with prospective or existing employees regarding salary, relocation, other benefits or perquisites will include advance consultation with Human Resources. No offers or commitments regarding compensation are to be made without the prior approval of Human Resources. All letters of offer to potential employees are to be prepared and sent by Human Resources. The synodical Bishop of a rostered applicant selected for an interview will be notified prior to the interview.

The churchwide organization will not hire persons for positions with financial oversight responsibility who were directly or indirectly involved in an independent audit of the organization in the previous three years or who have had a financial interest in the audit firm which performed an independent audit of the organization in the previous three years.

No promises, commitments or representations which are inconsistent with or override these hiring procedures may be made to an employee or prospective employee without the prior written approval of the Executive for Human Resources. Any such promise, commitment or representation shall be void unless it is contained in a written agreement signed by the employee and the Executive for Human Resources.

5.12 Consideration of Board, Program Committees, and Advisory Committee Members as Candidates

Any churchwide organization board of trustees member, program committee member, or advisory committee member who is to be interviewed for a position within that unit or section of the churchwide organization must relinquish his/her board or committee membership in order to be considered as a candidate.

5.13 Executive Director and Executive for Section Vacancies

When there is a vacancy in an executive director or an executive for section position, it shall be filled in accord with the appropriate governing documents.

5.14 Additional Hiring Procedures Where Candidate has been the Subject of Allegations of Sexual Misconduct

Whenever there is any indication that a candidate who is being seriously considered for employment has been the subject of allegations of sexual misconduct or sexual harassment, the Executive for Administration and the General Counsel are to be notified before any offer of employment is extended to the candidate. This requirement is in addition to, and not in lieu of, any other procedures that are applicable to the hiring of an individual for the position to be filled. Being "seriously considered for employment" means that the candidate is the only individual or one of the finalists being considered for the position.

The notice required by this procedure is applicable in all cases where the candidate, if hired, will be an employee of the churchwide organization, whether within the Lutheran Center or deployed, and without regard to which unit or section is the employing office. This procedure is applicable to candidates for either full-time or part-time positions, and to individuals whose services will be retained on an independent contractor basis. This procedure is also applicable when the final hiring decision will be made by, or will be a joint decision made by several persons, one or more of whom is an employee of the churchwide organization acting in that capacity.

Where the candidate is currently or was formerly a rostered person (e.g., ordained minister, associate in ministry, deaconess, or diaconal minister) in this church, these additional requirements apply:

- A. Inquiry shall be made of the candidate and the bishop of the synod in which the candidate is or was last rostered as to whether mobility forms have been completed by the candidate. If so, the synodical bishop will be asked to forward copies of the mobility forms to the presiding bishop. The office of the presiding bishop has established appropriate procedures for the dissemination of the mobility forms to the executive director of the unit or executive for a section making the hiring decision.
- B. Whenever there is a break-in-service in the employment history of a candidate, careful inquiry shall be made into the facts and circumstances concerning the reasons for such break-in-service. A “break-in-service” as used herein means any extended period of time when the rostered person was without call or any case where a person went off the roster. Any removal or resignation from the roster or any break-in-service requires a full and satisfactory explanation.

6.0 PERFORMANCE MANAGEMENT PLAN AND APPRAISAL SYSTEM

6.1 Policy

It is the policy of the Evangelical Lutheran Church in America (ELCA) churchwide organization to establish a Performance Management and Appraisal System that is responsive to the mission of the Church; that encourages development of employees; that supports the churchwide organization goals for equal employment opportunity; that fosters acceptance of responsibility; that recognizes the diversity of our gifts; that allows joint participation of supervisors and employees; and is equitable and responsive to its supervisors and employees.

Employees assessed under this system shall have their performance appraised at least annually, using Work Plan and Performance Objectives in which they normally have participated in establishing.

There shall be no controls (i.e., pre-established distribution of ratings) which prevent equitable appraisal of performance in relation to established standards. The appraisal results will be used as a basis for rewarding, promoting, training, reassigning, retaining, granting or denying salary increases, assisting employees to improve performance, and removing employees when such action is warranted.

6.2 Performance Review and Appraisal

Each employee of this church will receive a performance review from his or her supervisor three months after his or her hire date, to discuss performance, provide feedback, or modify objectives. At the discretion of the employee's supervisor, the employee may also receive a performance review after six months of employment. The format for the three and six month performance review may be that of a memorandum or other summary report. All employees will receive an annual performance appraisal, in accordance with the process outlined in the Performance Management Plan and Appraisal System. A merit increase is normally considered only at this time.

If an employee wishes to contest a rating, he or she may submit a dated, written request for reconsideration of his or her final performance rating to the rating supervisor within ten (10) working days of receipt of the rating. The rating supervisor will notify the approving unit executive director or director, and will provide a written response to the employee within ten (10) working days. If the employee is not satisfied with the rating supervisor's final response, he or she can pursue his or her concern by writing to the approving unit executive director or executive for a section within five (5) working days of receipt of the rating supervisor's response. The approving unit executive director or executive for a section will review the performance appraisal and rating, and will issue a final rating to the employee within ten (10) working days. If the employee is still not satisfied, or if the approving unit executive director or executive for a section fails to respond within the allotted time, the employee may appeal to a three (3) member committee, composed of staff members from Human Resources.

Human Resources will monitor the schedule and process for performance appraisals, and a copy of the completed appraisal will become a part of the employee's personnel file.

6.3 Progressive Corrective Action

In certain cases, an employee's performance may not meet the standards or expectations necessary for acceptable performance of the job, but the shortcomings may be of the nature that may be reasonably viewed as correctable. In dealing with performance problems, the churchwide organization will follow a progressive action policy in order to give a clear format for both supervisors and employees.

The evaluation of the performance of an employee in connection with this provision shall be consistent with the ELCA Constitutions, Bylaws, and Continuing Resolutions, with Section 6.2, Performance Review and Appraisal of the Personnel Policies of the Churchwide Organization, and with the Performance Management Plan and Appraisal System. In order to adhere to a policy of "progressive corrective action," notice of shortcomings in the employee's performance and expectations of the supervisor, whether oral or written, must be as clear and precise and possible.

There shall be a cooperative effort between the supervisor and employee in setting explicitly defined and attainable goals and actions to be taken by the employee and the supervisor to resolve work-related problems. Either the employee or the supervisor may request that a representative of Human Resources meet with the employee and the supervisor to attempt to clarify and resolve issues in the job situation.

The process for progressive corrective action will be as follows:

Step 1: The supervisor should orally call the employee's attention to shortcomings in on-the-job performance. The supervisor shall attempt to make the employee aware of his or her expectations for performance and of his/her willingness to work with the employee in resolving the work-related problem. This conversation between the supervisor and the employee is to be documented.

Step 2: If performance continues to be unsatisfactory, the supervisor shall again counsel with the employee. This time, however, the counseling shall also be put in writing (a copy shall be given to the employee) and entered into the employee's personnel file and the employee shall be given a reasonable time within which to resolve the performance problem.

Step 3: If the problem is not satisfactorily resolved, the employee may be placed on probation. Before placing an employee on probation, a supervisor must consult with his or her unit executive director or director and the Executive for Human Resources. The probation meeting shall be documented, including the date of the meeting, a description of the work-related problem(s), the course of corrective action to be taken, and the amount of time in which the employee and the supervisor shall resolve the problem.

Probationary periods may be established for 30, 60, or 90 days.

The summary of the conversation should include a specific statement that failure to resolve the work-related problem may lead to termination. If the employee fails to perform specific acts set forth in the probationary period, termination may come before the end of the probationary period.

The final probation plan and timetable must be approved by the Executive for Human Resources and the executive director or director of the unit before being implemented by the supervisor. A copy of the meeting documentation shall be given to the employee and to Human Resources.

Step 4: If the conditions of the probationary period are not met or a performance problem is not resolved, the employee is subject to termination, in accordance with Section 14.2, Separation After Progressive Corrective Action.

Step 5: The employee may use the grievance procedure, as set forth in Section 15 of these personnel policies.

Employees and/or their supervisors may request advice or counsel from the staff of Human Resources at any time during this process. A maximum of two probationary periods will be permitted in a year.

6.4 Separation by Mutual Agreement

Employees and their supervisor(s) may reach a mutual agreement, following discussion of a work-related issue, whereby the interests of both would best be served by separation of the employee from employment. Under such circumstances, the separation would be without prejudice, and no further action would be taken.

7.0 COMPENSATION PROGRAM

The purpose of the compensation program is to provide adequate pay for services rendered and to insure equity in basic compensation. There are three elements in the program: The position evaluation process, the salary ranges, and the merit pay program.

7.1 Position Evaluation Process

A. All positions in churchwide units (with the exception of the Church Publishing House), regions, and synods will be evaluated periodically, using the same criteria and process.

B. Implementation Process

1. On-Going Process

a. Position Evaluation Team, composed of churchwide organization staff members, will be appointed by the Bishop and the executive for Human Resources. The team will be chaired by a staff member of Human Resources.

b. The team will meet at least annually or more frequently, if appropriate.

2. Disputed Evaluations

Evaluations will be communicated by the Executive for Human Resources to the executive director or director of the employing unit. If the unit executive director or director disagrees with the judgment of the Position Evaluation Team, the position will be evaluated jointly by the Executive for Administration, the unit executive director or director, and the Executive for Human Resources.

3. Evaluations of elected, official positions, and executive director or director positions will be done by an outside consultant, for review and approval by the Bishop.

7.2 Salary Ranges

Salary ranges and/or midpoint policy proposals will be developed by Human Resources and the Executive for Administration once every other year for review and approval by the Church Council.

7.3 Merit Pay

Merit pay allows an individual to directly influence his or her earnings through on-the-job performance. Increases may be granted, based upon improved or sustained performance. Generally, an employee must have completed 9 months of satisfactory service before being eligible for a merit increase. This practice is designed to attract and retain competent employees, to reward each individual in accordance with performance on the job, and to motivate each employee to his or her highest level of performance. The basis for merit pay is the annual performance appraisal.

7.4 Overtime

- A. All non-exempt employees are eligible for overtime pay at the rate of one and one-half times their regular hourly rate for time worked in excess of 40 hours in any normal work week.
- B. Overtime is calculated using actual hours worked. Sick leave, personal leave, vacation time, community service, holidays and other types of leave referenced in these personnel policies do not count as hours worked.
- C. Under limited circumstances, a non-exempt employee may be granted time off in lieu of overtime pay, if it meets the criteria for compensatory leave set forth in policy 11.15, and both the supervisor and the employee agree to the arrangement.
- D. Supervisors have the right to manage an employee into a 40-hour workweek by altering the normal weekly work schedule.

7.5 Pay Periods

Pay periods for all employees will be semi-monthly, and payment will be made on the 15th and the 30th of the month (in February payment will be made on the 28th of the month). If a normal payday falls on a non-working day, paychecks will be issued on the last working day preceding the non-working day.

7.6 Fees for Services and Honorariums

Non-exempt (support staff), full-time churchwide employees of a unit or section may be paid for contract or part-time work performed in their off-hours for another churchwide unit or section. If the nature of the work performed for the second churchwide unit or section is similar to or an extension of the employee's regular job description, the payment must be at one and one-half times the employee's current hourly rate of pay for all hours worked in excess of 40 hours weekly. If the work is totally different from the employee's regular job responsibilities, then the employee and the contracting unit or section, in consultation with Human Resources, may negotiate a fee for those services.

Exempt (executive staff) employees of a churchwide unit or section will not be paid for contracted or part-time work performed for another churchwide unit or section, affiliated agency, organization or institution or non-ELCA related agency, if the nature of the work performed for the requester:

- is similar to or an extension of the employee's regular job responsibilities or,
- is to take place when the employee is carrying out his or her regular job responsibilities or,
- if the work to be done becomes part of the performance expectations in the employee's work plan and performance review.

If the work is totally different from the employee's regular job responsibilities, is carried out apart from the employee's regular work setting, and is outside of the employing unit's supervision and expectations, then the employee and the contracting entity, in consultation with Human Resources, may negotiate a fee for those services.

An employee is not to expect or accept additional income for performing the normal duties and responsibilities of his or her position. Any employee who receives an honorarium related to performing such activities or for representing the churchwide organization is to remit it to the Office of the Treasurer and it will be credited to the operation of the employee's unit or section.

7.7 Garnishments and Wage Assignments

The churchwide organization must honor wage assignments, as they represent a legal order to withhold and pay out a specified amount of employee earnings. If wages are attached, the employee will be notified, and must seek a release of the court in order to prevent deductions from being made.

7.8 Housing Allowance

An ordained or other qualified employee of the churchwide organization may request that a portion of his/her annual salary be designated as a housing allowance, in keeping with Internal Revenue Service regulations. The employee assumes full responsibility for compliance with IRS definitions of "costs to provide a home." Requests for housing allowances, on the form provided, must be forwarded annually, for the ensuing year, to Human Resources, with sufficient time allowed for the request to be recorded in the official files.

8.0 REIMBURSABLE EXPENSES

8.1 General Principle

Employees of the churchwide organization who are authorized to travel in connection with the performance of their work will be reimbursed for transportation, food and lodging expenses, in accordance with the ELCA Corporate Travel Policy.

When authorized by an employee's immediate supervisor or the unit executive director or executive for a section, reimbursement will be made for the use of an employee's personal automobile, in accordance with the ELCA Corporate Travel Policy.

9.0 WORKING HOURS AND HOLIDAYS

9.1 Working Hours

Employees are to organize their work schedules within the limits of specified hours, subject to the approval of their unit executive director or executive for a section. For non-exempt employees, time worked will normally be an eight-hour period between the hours of 7:00 a.m. and 5:30 p.m., Monday through Friday. Care must be taken that hours worked allow for proper office coverage and responsibilities.

An unpaid lunch period of from one-half to one hour in length may be taken, but is not considered as time worked; therefore, this time is in addition to an employee's eight-hour work schedule. A paid, 15-minute rest break may be taken by non-exempt employees each morning and afternoon, and is considered as time worked. These breaks may not be taken at the beginning or end of the workday or be part of the lunch period except in unusual circumstances with the permission of the supervisor.

Variations in the established hours for individual employees may be made by the unit executive or executive for a section, to adjust for particular travel or other considerations which might prevail, provided such variations do not conflict with the efficient operation of the office.

Each unit or section will arrange lunch and break periods for employees on schedules that will provide for the well-being of the staff and the effective operation of the unit or section.

9.2 Attendance Records

Human Resources is responsible for maintaining adequate attendance records suitable for payroll purposes and for meeting appropriate wage and hour requirements.

9.3 Overtime Records

Appropriate records will be kept for all authorized overtime worked by non-exempt employees.

9.4 Holidays

The churchwide office will be closed on the following official holidays. Employees who are eligible for overtime and who are required or requested to work on holidays will be compensated at double their regular rate of pay.

New Year's Day	Labor Day
Martin Luther King's Birthday	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day

9.5 Holidays Falling on Saturday or Sunday

When a holiday as listed in 9.4 above falls on a Saturday, churchwide offices will normally be closed on the preceding day. If the holiday falls on Sunday, churchwide offices will normally be closed on the following day.

9.6 Time Off for Voting

Any employee, who is eligible to vote in national, state or local elections, is encouraged to exercise those voting privileges. Work schedules normally permit adequate time for an employee to vote, either before or after normal working hours. However, in unusual circumstances, an employee's work schedule or work commitments may make it impossible for him/her to vote during non-working hours. In this case, the employee's immediate supervisor may approve up to two consecutive hours of paid time off for the purpose of voting in the election. (The supervisor may specify the hours during which the employee may be absent.)

This time must be requested by the employee prior to the day of the election along with a signed statement indicating the specific circumstances which require the time off, to be retained with the employee's time records for the applicable month.

If an employee otherwise will have difficulty voting, he/she may wish to inquire with the Board of Elections (or other applicable state entity) about the possibility of voting early or by absentee ballot.

9.7 Summer Flexible Schedule

Summer hours are designed to help an employee create lengthened weekends by allowing him or her to work additional hours during the other days of the week, thus freeing up a whole or a half-day, every week, on Friday or Monday. The summer flexible hours will generally be available between the first full week in June and the last full week in August. The supervisor has the right to manage an employee's workweek. This includes the right to refuse a request or amend or terminate summer hours.

In order to be eligible for this program, an employee must be a full-time regular employee, and obtain written approval by May 1st. The request must be approved by the executive or executive director of the section or unit, and the Executive for Human Resources. An employee who does not participate in the program shall remain on his or her regular work schedule.

Workday Sample Options:

- Four nine-hour days with half-day off every Friday or half-day off every Monday:**
Example: Monday through Thursday: 7:30 a.m. to 5:00 p.m. (Half-hour lunch) and Friday: 7:30 a.m. to 11:30 a.m. **or** Monday: 1:00 p.m. to 5:00 p.m. and Tuesday through Friday: 7:30 a.m. to 5:00 p.m. (Half-hour lunch).
- Four ten-hour days with every Friday or Monday off:**
Example: Monday through Thursday: 7:00 a.m. to 5:30 p.m. with every Friday off **or** every Monday off with 7:00 a.m. to 5:30 p.m. and Tuesday through Friday (Half-hour lunch).

During the week of July 4th (Independence Day), holiday observance, all full-time employees will work four 8-hour days, unless scheduled vacation time is taken.

9.8 Telecommuting

The ELCA Churchwide Organization may consider telecommuting as a viable alternative for some employees and some jobs. Telecommuting is defined as working from home or an approved remote location for all or part of the normal work week, during normal working hours, for a specified period of time.

This telecommuting arrangement for employees of the ELCA Churchwide organization is not an entitlement; it is not an employee benefit; and it in no way changes the terms and conditions of employment with the ELCA Churchwide Organization

A. **PROCEDURES**

1. Employees must have written approval for a telecommuting arrangement from a unit/section executive.
2. All telecommuting arrangements must be approved in advance in writing by the Executive for Human Resources. The employee and officer, or unit/section executive will be notified in writing of the Executive for Human Resources decision. An e-mail will be considered proper notice.
3. All telecommuting arrangements will be made on a case by case basis, focusing on the needs of the organization first and paying particular attention to the following areas:

Employee Suitability

With input from the employee and officer or unit/section executive or their designated representative, the Executive for Human Resources will assess the needs and work habits of the employee, compared to traits customarily recognized as appropriate for successful telecommuters. Individuals best suited to telecommuting arrangements are those who:

- Can work productively on their own
- Are self motivated and flexible
- Are dependable and trustworthy
- Have exhibited satisfactory performance over the past year
- Are organized
- Have good communication skills

Job Responsibilities

The employee and officer or unit/section executive or their designated representative will provide information regarding job tasks and responsibilities to the Executive for Human Resources to determine if the job is appropriate for a telecommuting arrangement. Jobs best suited for telecommuting are those that:

- Require independent work
 - Require limited face-to face interaction
 - Require concentration
 - Result in a specific, measurable, work product
 - Can be monitored by the amount of work produced
4. There may be tax and other legal implications regarding the business use of the employee's home based on IRS and state and local government restrictions. Responsibility for fulfilling all obligations in this area rests solely with the employee
 5. Any telecommuting arrangement made may be discontinued, at will, at any time at the request of either the telecommuter or the churchwide organization. As per the ELCA policy on electronic communication, any equipment and/or materials that were purchased by the ELCA must be returned at that time.

B. EQUIPMENT/SUPPLIES

1. The employing unit will determine, with information supplied by the employee and the supervisor, the appropriate equipment needs (including hardware, software, modems, phone and data lines, facsimile equipment or software, photocopiers, etc.) for each telecommuting arrangement on a case-by-case basis. The Executive for Human Resources and the Executive for Information Technology will serve as resources in this matter and will give final approval for equipment supplied
2. The ELCA will supply the employee with appropriate office supplies (pens, paper, etc.) for successful completion of job responsibilities. The organization will also reimburse the employee for all other business-related expenses such as phone calls, shipping costs, etc. that are reasonably incurred in accordance with job responsibilities.
3. Equipment supplied by the organization will be maintained by the organization. Equipment supplied by the employee, if deemed appropriate by the organization, will be maintained by the employee. The ELCA accepts no responsibility for damage or repairs to employee-owned equipment. The ELCA reserves the right to make determinations as to appropriate equipment, subject to change at any time.
4. Equipment supplied by the organization is to be used for business purposes only.
5. The telecommuter will sign an inventory of all office property and agree to take appropriate action to protect the items from damage or theft.

C. WORK ENVIRONMENT

1. Consistent with the organization's expectations of information asset security for employees working at the office full-time, telecommuting employees will be expected to ensure the protection of organizational information accessible from their home office. Steps include, but are not limited to, use of locked file cabinets, disk boxes and desks, regular password maintenance, and any other steps appropriate for the job and the environment.
2. The employee will establish an appropriate work environment within the home or remote work location for work purposes. The ELCA will not be responsible for costs associated with initial setup of the employee's home office such as remodeling, furniture or lighting, nor for repairs or modifications to the home office space. Employees will be offered appropriate assistance in setting up a work station designed for safe, comfortable work.
3. Injuries sustained by the employee while at the remote work location or home work location and in conjunction with their regular work duties are normally covered by the company's workers' compensation policy. Telecommuting employees are responsible for notifying the employer of such injuries in accordance with company worker's compensation procedures. The employee is liable for any injuries sustained by visitors to their work site.

D. WORK HOURS

1. The employee and officer or unit/section executive or their designated representative will agree on the number of days of telecommuting allowed each week, the work schedule the employee will customarily maintain, and the manner and frequency of communication.
2. The employee will agree to be accessible by phone, by electronic mail, as well as for staff and other meetings deemed necessary within a reasonable time period during the agreed upon work schedule.
3. Telecommuting employees who are not exempt from the overtime requirements of the Fair Labor Standards Act will be required to record all hours worked in a manner designated by the organization. Telecommuting employees will be held to a higher standard of compliance than office-based employees due to the nature of the work arrangement. Hours worked in excess of those specified per day and per work week, in accordance with state and federal requirements will require the advance approval of the supervisor. Failure to comply with this requirement can result in the immediate cessation of the telecommuting agreement, and may result in disciplinary action.

4. Evaluation of telecommuter performance may include daily interaction by phone and e-mail between the employee and the manager, and, when necessary, face-to-face meetings to discuss work progress and problems. Evaluation of telecommuter performance will be consistent with that received by employees working at the office but will focus on work output and completion of objectives rather than time-based performance.

10.0 EMPLOYEE BENEFITS

10.1 Relocation Policies

All staff who accept employment with the churchwide organization will be eligible for reimbursement of relocation expenses if his or her home is more than 50 miles from the office where they are assigned. A chart containing current eligible relocation allowances is available from Human Resources.

The relocation moving expenses incurred must be within a “reasonable time” of the start of a new job, generally construed to be no more than one year after the employee’s start date. If an employee does not move within one year of his or her start date, the Executive for Human Resources and the director of the employing unit may review any special circumstances that existed to prevent the move during the first year and may allow for reimbursement.

10.2 Social Security

The churchwide organization will make contributions for its lay employees only, as required of employers under the Social Security Act. No payment will be made on behalf of ELCA or other qualified ordained ministers who are employees of the churchwide organization, nor will any reimbursement in lieu thereof be made directly or indirectly to the employee.

10.3 Workers' Compensation

As required by state law, the churchwide organization provides Workers' Compensation Insurance coverage for all employees, at no cost to the employee. For information regarding Workers' Compensation Leaves, please see Section 11.11 of the Personnel Policies of the Churchwide Organization.

10.4 Unemployment Compensation Insurance

As a religious, not-for-profit organization, the churchwide organization is not required to participate in unemployment compensation insurance in the state of Illinois. Therefore, employees separated from employment with the churchwide organization are not eligible to receive unemployment insurance.

10.5 Medical, Pension, Disability and Survivor Benefit Plans

This church provides a pension plan for the benefit of its full-time employees and other employees who are regularly scheduled to work at least 20 hours per week for six months or more per year. In addition, there are plans which provide for disability, survivor, medical and dental benefits. Detailed information regarding these benefits may be found on the web site for the ELCA Board of Pensions: www.elcabop.org.

10.6 Flexible Spending Accounts

The ELCA provides a Flexible Spending Account (FSA) program that allows employees to have pre-tax dollars deducted from their salaries to pay for eligible out-of-pocket expenses. The pre-tax contributions made to the FSA can be used to pay for predictable non-reimbursed health care expenses and dependent care expenses during the plan year. Eligibility to participate in the FSA program will be limited to those employees eligible for benefits under Section 3.0 of the Personnel Policies of the Churchwide Organization. Details of the Flexible Spending Account program are described in the Summary Plan Description (SPD). Contact Human Resources for more information on the FSA program and to obtain enrollment and reimbursement forms and worksheets with examples of reimbursable and non-reimbursable expenses.

10.7 Accident Insurance

Business travel accident insurance is provided for all employees at this church's expense, and covers accidents involving death or dismemberment while traveling in the interest of this church. The principal sum of this coverage is five times the current annual salary of the respective employee (minimum of \$100,000, maximum of \$400,000).

An optional Accidental Death and Dismemberment plan is available for employees and their eligible family members, which covers accidents which happen during working and non-working hours and days. Detailed information on this voluntary plan is available in Human Resources.

10.8 Voluntary Salary Reduction Contributions

In addition to contributions made by the employer to the ELCA Retirement Plan, employees have an opportunity to tax defer a portion of their salary and plan for their financial security in retirement. Under provisions of the Plan, an employee may enter into a salary reduction agreement with the ELCA and the ELCA Board of Pensions to reduce the employee's compensation. The employee is responsible for verifying with the ELCA Board of Pensions that the amount requested is allowable under IRS regulations. The salary reduction is credited on a before-tax basis to the employee's account, administered by the ELCA Board of Pensions. Under current IRS regulations, amounts deferred by non-minister (lay staff) are subject to Social Security and Medicare withholding taxes but are exempt from federal income tax. Amounts deferred by duly ordained clergy generally are not subject to Social Security and Medicare withholding taxes or federal income tax.

10.9 Survivor Benefit

In the event of death of an employee, his or her salary will be paid to his or her surviving spouse through the month in which death occurs, plus one additional month. If there is no surviving spouse, or if the deceased is unmarried at the time of death, payment will be made to a dependent(s) or any person(s) previously designated by the employee or, in the absence of a designation, to the estate of the deceased employee.

10.10 Employee Assistance Program

This church offers an Employee Assistance Program (EAP) to employees and members of their household. The program is designed to assist in solving human problems that affect job performance and overall lifestyle. Employees and their household members have access to this confidential assessment and referral service for problems, including but not limited to: chemical dependency, depression, family communications, and health, financial, or legal difficulties. This 24-hour service is provided as an employee benefit. For assistance beyond EAP, employees may be eligible for mental health coverage through the ELCA Board of Pensions. Further information is available at www.elcabop.org.

10.11 Benefits and Terms of Employment

Any benefits, terms of employment or agreements between the churchwide organization and an employee outside of the normal hiring and employment practices of the churchwide organization or these personnel policies, must be in writing and approved and signed by the Executive for Human Resources.

11.0 ABSENCE FROM WORK

An employee who finds that he or she is going to be absent from work shall inform his or her supervisor, in a timely manner, as to the nature and duration of their absence. An absence of three days without proper notification and communication from the employee as to the reason for the absence will be cause for dismissal.

11.1 Sick Leave/Family Illness

A. Sick Leave

It is the philosophy of the churchwide organization that being paid for illness is a privilege and not an employee right. Consequently, all employees are expected to be at work except when actually ill or when their absence is specifically approved for some other valid reason.

Employees eligible to receive benefits will begin to accrue sick leave at the rate of 1.0 day per month, commencing on the first day of employment.

Absence due to illness of more than four (4) consecutive days will require that the employee furnish a physician's statement to their supervisor, with a copy to Human Resources. Failure to provide such a statement will result in a deduction from the employee's salary equivalent to the number of days missed. Illness of duration longer than two (2) months should be referred to the Board of Pensions, in accordance with the provisions of Section 10.5.

Sick leave may accrue up to a maximum of 45 working days, in order that the churchwide organization's Personnel Sick Leave Policy will correlate with the Board of Pensions Long Term Disability Policy.

Sick leave may be carried over from year to year, but may not exceed 45 working days. Employees will not be paid for accrued sick leave upon separation from employment.

Unit executive directors or directors will monitor individual employee records to ensure compliance with these provisions.

B. Family Illness

In the event of an illness in the immediate family (spouse, children, parents, brother, sister, grandparent, grandchildren, mother-in-law, father-in-law, or legal guardian) that requires the employee's presence, accrued sick leave may be utilized for this purpose. Time taken should be identified in the Time and Attendance System as "Family Illness."

11.2 Vacations and Personal Days

A. Full-time employees (not including executive directors or executives for a section) hired on January 1, 1989, or thereafter, will accrue vacation in accordance with the following schedule:

First through second year	0.83 days per month up to 2 weeks (10 working days)
Third through fifth year	1.25 days per month up to 3 weeks (15 working days)
Sixth year and beyond	1.67 days per month up to 4 weeks (20 working days)

When an employee reaches the anniversary of his or her date of hire and has completed his or her second or fifth year of service, the following month the employee will begin to accrue vacation at the next higher level. (For example, beginning with his or her third year of service, the employee will move from 10 days of annual vacation to 15 days or, beginning with his or her sixth year of service, the employee will move from 15 days annual vacation to 20 days).

B. Under limited circumstances, a non-exempt employee may be granted time off in lieu of overtime pay. Compensatory leave is permitted as an alternative to overtime pay only if the leave is taken during the same pay period in which the overtime is earned, it meets criteria for compensatory leave set forth in policy 11.13, and both the supervisor and the employee agree to the arrangement. One and one-half hours of compensatory time off will be allowed for every hour of overtime worked.

C. Executive directors and executives of units or sections accrue four weeks (20 days) of vacation per calendar year, at the rate of 1.67 days per month

- D. An employee may carry over up to two weeks (10 days) of unused vacation into the following calendar year. The maximum number of vacation days taken in any calendar year may not exceed six weeks (30 days).
- E. Persons who have previously been employed by an affiliated organization (region, synod, congregation, institution and/or agency affiliated with or related to any unit or section of this church), at any time within a five (5) year period preceding their employment with the churchwide organization, shall have 100% of that service counted, for purposes of determining the amount of vacation they will annually accrue. No person employed by the churchwide organization will accrue vacation time based upon prior service, except as provided in this paragraph.
- F. Part-time employees will receive prorated vacation, as described in Section 3.2.
- G. Vacation days may only be taken with the approval of the employee's supervisor, and are to be entered and approved in the Time & Attendance system in advance of the planned time off. Units or sections should schedule vacations for their personnel in a manner that permits continuous coverage to be maintained within their unit.
- H. **Personal Days**
Three personal days are allowed on an annual basis. Persons employed on January 1 or who begin employment with the churchwide organization during January, February, March or April will be eligible to receive three days for that year. Persons who begin employment during May, June, July or August will be eligible to receive two days for that year. Persons who begin employment during September, October, November or December will be eligible for one personal day that year. Unused personal days do not accrue and may not be carried over into the following year. Persons leaving the employ of the churchwide organization will not be reimbursed for unused personal days.

11.3 Payment for Unused Vacation

At the time of separation from the churchwide organization, an employee will be paid for his or her unused, accrued vacation. All benefits will continue through the period of earned vacation, based on the accrual formula in 11.2.A. Employees who retire and who are entitled to receive payment for more than five days of accrued vacation will receive pension benefits through the balance of the month in which their employment, including accrued vacation days, ends.

11.4 Compassionate Leave

In the event of a death in his or her immediate family (to include spouse, children, parents, brother, sister, grandparents, grandchildren, mother-in-law, father-in-law, or legal guardian), an employee will normally be allowed three (3) days, with pay, to attend the funeral and to deal with family affairs. In cases where there is a special need related to circumstances, generally assumed to be the sudden death of an immediate family member or cases requiring extensive travel, up to a total of five (5) working days may be granted by the Executive for Human Resources, in consultation with the employee's unit executive director or section executive.

11.5 Jury Duty

An employee who is required to serve on a jury shall be entitled to full pay during the period of such service. Monies paid to an employee by the court for jury service may be retained by the employee.

11.6 Synod Activities

One churchwide organization representative is appointed by the Office of the Presiding Bishop to attend each Synod Assembly. The cost for this official representation will be covered by Synodical Relations. From time-to-time, others may attend, at the request of the synod or their churchwide unit or section, and such attendance is to be coordinated through the Office of the Presiding Bishop.

A unit or section staff person may be present at a Synod Assembly, on the basis of a specific invitation from the synod, to contribute, in a particular way, to the program/agenda of the assembly. The cost of this participation will be covered on the basis of unit or section and synodical agreement.

In certain cases, the unit or section may determine that a staff person should be present at a Synod Assembly, to meet the specific programmatic need(s) of the unit or section. The decision for this attendance/participation is to be made in consultation with synodical leadership, on the basis of specific need(s), unit or section budgetary constraints, and the total number of staff persons expected to be at the particular assembly. The cost of this participation will be covered by the unit or section.

The unit or section is to provide time and costs for all rostered members of its staff, including active associates in ministry, members of the Deaconess Community of the Evangelical Lutheran Church in America, and diaconal ministers under call on the lay rosters of the synod, to attend, once in each four year period, the assembly in which his or her membership is maintained.

The Executive for Administration (Office of the Presiding Bishop) is to be notified by the unit executive director or executive for a section of all persons from the unit who are planning to be at Synod Assemblies. Notification is to be provided at least 30 days prior to the Synod Assembly.

If you are a voting member to a synodical assembly or a member of a synodical committee, you may request that you be granted time off, with pay, by your immediate supervisor, unit executive, or executive for a section provided that your absence does not seriously impair the normal operation of your unit or section.

11.7 Leave Without Pay

Leave without pay may be granted to an employee, for personal reasons, after due consideration has been given to the work requirements of the employing unit or section. Leave without pay may be granted for a period of up to three months. In exceptional circumstances, an employee may be granted a leave without pay for up to one year. Such leaves are granted by the appropriate unit executive director or executive for a section, in consultation with the Executive for Human Resources.

The churchwide organization will hold an employee's position open for the leave period, while he/she is on an approved leave without pay. If the incumbent is unable to return to work at the conclusion of the leave period, his/her position may or may not continue to be held open for him/her. This decision will be made, on a case-by-case basis, by the appropriate unit executive director or director, in consultation with the Executive for Human Resources.

The churchwide organization will hold an employee's position open for the leave period, while he or she is on an approved leave without pay. If the incumbent is unable to return to work at the conclusion of the leave period, his or her position may or may not continue to be held open for him or her. This decision will be made, on a case-by-case basis, by the appropriate unit executive director or executive for a section, in consultation with the Executive for Human Resources.

If the incumbent fails to return to his or her position within three working days after the expiration of his or her leave without pay or fails to notify Human Resources regarding his or her status, the individual will be separated from his or her employment with the churchwide organization.

If the individual has been on a leave without pay for medical reasons, he or she must obtain a medical release from his or her physician to indicate that he or she is well enough to return to work, and must submit it to Human Resources.

Service credits and other benefits do not accrue to an employee while on leave without pay. While on an approved leave without pay, the employee may assume responsibility for payment of premiums to maintain continued medical and dental insurance coverage.

11.8 Military Leave

Regular full-time and regular part-time employees who perform military service will be granted leaves of absence for such service in compliance with state and federal laws. For purposes of this policy, military service" is the performance of duty on a voluntary or involuntary basis in the U.S. Armed Forces, the Reserves, or the National Guard under competent authority, and includes active duty, active duty for training, initial active duty for training, inactive duty training, and full-time National Guard duty. Employees may use accrued vacation leave to perform military service but are not required to do so. The ELCA will make up the difference, if any, between an employee's military pay and allowances and the employee's regular wages/salary for up to two weeks (10 work days) of military service per calendar year.

Employees are asked to notify their supervisor and submit copies of military orders as soon as they become aware of the military obligation.

An employee's eligibility for reinstatement after completion of military service is determined in accordance with applicable federal and state laws.

11.9 Maternity/Paternity and Adoptive Leave

Leave under this section is for the purpose of issues related to parenting, and may only be taken after six (6) months of part-time or full-time employment. Leave benefits for part-time employees will reflect their percentage of full-time employment. Employees who will be absent due to maternity/paternity or adoptive leave are requested to provide their supervisors with as much advance notice as possible. Leave taken under this section is intended to supplement, rather than contradict, the terms provided in section 12.

A. Maternity/Paternity Leave

Four (4) weeks of paid maternity leave is available to a new mother and four (4) weeks of paid paternity leave is available to a new father following the birth of her or his child. If the expectant mother's physician feels it is necessary for her to stop working prior to the anticipated delivery date, she will be permitted to use accrued sick leave for this purpose.

Employees desiring additional leave, either prior to or following the birth of their child, may apply for unpaid Family Leave under Section 12, or Leave Without Pay under Section 11.7.

B. Adoptive Leave

Four (4) weeks of paid adoptive leave is available to a new mother and four (4) weeks of paid adoptive leave is available to a new father, following the adoption of a child.

11.10 Absence Due to Weather/Travel Conditions or a Declared Emergency

- A. To determine if the churchwide office will be open or closed due to inclement weather, an employee may call 773/380-2660 after 6:30 a.m. weekday mornings. A recorded message will provide information regarding the open or closed status of the office, based on a determination made that morning by the Executive for Human Resources and/or the Executive for Administration.

In cases where the churchwide office is open for business, even though weather conditions may be unfavorable, an employee who does not report to work because of the weather will be expected to utilize accrued vacation leave or a personal day(s) to cover their absence. Employees will not have to use accrued leave or personal days if the offices are closed.

- B. Employees may call 773-380-2660 at any time to see if an emergency situation has been declared. Employees will be notified by phone, by e-mail, and/or www.elcawebstatus.org concerning when and where to report to work. Each employee is responsible for checking the web site for unit meeting times/work schedules. If an employee doesn't have internet access at home, public libraries have terminals for use. Employees may also call Archives, 1-847-690-9410 or 1-866-736-3522, for emergency information during a declared emergency. Failure to check-in by phone or web may result in time counted as an absence from work.

11.11 Workers' Compensation Leave

The churchwide organization provides workers' compensation insurance coverage for all employees, at no cost to the employee. While on an approved workers' compensation leave due to a work-related injury or illness, the employee's position may or may not continue to be held open for him or her. This decision will be made, on a case-by-case basis, by the appropriate unit executive director or director, in consultation with the Executive for Human Resources. If it becomes necessary to fill an employee's position while he or she is on workers' compensation leave, every effort will be made to place him or her in another position within the churchwide organization when he or she is ready to return to work.

Accrual of sick leave and vacation is suspended while an employee is on a workers' compensation leave. The churchwide organization continues to provide medical/dental insurance coverage and pension benefits for the employee while he or she is on a workers' compensation leave. Workers' compensation insurance provides coverage for medical care and expenses related to the employee's work-related injury or illness.

Work-related injuries or illness are to be reported to Human Resources as promptly as possible. Questions regarding workers' compensation coverage should be directed to Human Resources.

11.12 Victim's Economic Safety and Security Act Leave

The ELCA complies with all applicable requirements of the Illinois Victim's Economic Safety and Security Act (VESSA). An employee may be eligible for leave under VESSA if he or she is a victim of domestic or sexual violence or has a family or household member who has been victimized by domestic or sexual violence.

VESSA provides eligible employees up to 12 workweeks of unpaid job-protected leave in a 12-month period to:

- Seek medical attention and counseling;
- Obtain assistance from service agencies;
- Seek legal counsel; and/or
- Participate in civil and criminal legal proceedings

For more information about VESSA, contact Human Resources.

11.13 Community Service Day

ELCA churchwide organization employees are encouraged to share their time, talents and gifts by taking an active, visible role through volunteer activities that make a difference in our communities.

To that end, all regular full-time employees are allowed to take one paid 8-hour day each calendar year to use for volunteer community activities. Regular part-time employees are allowed a pro-rated day each calendar year. No one may use more than one community service day in a calendar year. Community service days not used cannot be carried over into the next calendar year.

All requests for volunteer time must be entered into the time and attendance system and approved prior to the activity. The time and attendance entry should include a detailed explanation of the proposed activity including time, place and sponsor of the activity.

Supervisors have the discretion to grant or deny any request. Supervisors may also determine whether or not their unit will participate in an event together.

To qualify as a paid community service day, eight hours of time must be given to the activity and all time given must fall within regular business hours. "Overtime" is not permitted.

Employees who wish to volunteer in groups may do so with the approval of supervisor(s).

The service day is similar to and treated like a vacation day, except for the above steps.

11.14 Other Paid Leave

Circumstances may arise which warrant a decision that is in the best interests of all parties concerned to place a staff member in a special paid leave status for a period of time. Such a decision can be made only by an officer or the Executive for Administration, at the request of the unit executive director or executive for a section and the Executive for Human Resources. This special, paid leave status (to be classified as "Administrative Leave") will be determined on a case-by-case basis, when no other available paid leave is appropriate.

11.15 Compensatory Leave

Compensatory Leave may be granted, at the discretion of the employee's executive director or executive for a section, to a non-exempt employee who has worked 16 or more hours of required overtime during a two-week period. Compensatory leave must be approved by the Executive for Human Resources.

The request for Compensatory Leave must be filed in the Time and Attendance System within 14 days of the pay period in which the employee worked the required overtime. In the event an employee seeking Compensatory Leave has 10 days of awarded but unused Compensatory Leave, the employee's request for additional leave shall be denied.

In the event an employee is granted Compensatory Leave, it shall be awarded at a rate of 1-½ hours for every hour of overtime worked during the two-week period. An employee may accrue a maximum of 80 hours of Compensatory Leave regardless of the total number of hours of overtime worked. An employee must use Compensatory Leave within 12 months of the date the Compensatory Leave was granted.

Compensatory Leave shall be without pay. In the event an employee's employment is terminated before using all accrued Compensatory Leave, the employee shall not be entitled to any payment for the unused Compensatory Leave.

11.16 Parental Leave

The churchwide organization will grant eligible employees up to eight hours of unpaid leave per school year to attend primary or secondary school conferences or classroom activities related to the employee's children where such conferences and classroom activity cannot be scheduled during non-working hours. To be eligible, an employee must have worked at least 20 hours per week during the six-month period preceding the leave request and the employee must have used all accrued vacation and personal days. An employee may take no more than four of the eight hours on any one day, and will be required to provide verification of the school visit upon his or her return to work. The churchwide organization will make a good faith effort to allow the employee to make up the leave time taken.

11.17 Children in the Workplace

Children are welcome to visit employees at the office for such purposes as lunch, a brief visit to a workstation or for special occasions when they are specifically invited. The hosting employee is responsible for the children during such visits and should remain with them at all times.

Children should not be brought to the work site as a substitute for other childcare arrangements. If an employee is faced with an unforeseen circumstance where childcare arrangements have been disrupted, the supervisor may grant an exception if the following conditions are met:

Alternate arrangements are being made and the time the child will be in the work area is brief, the child is accompanied by the employee at all times, and the employee is able to perform his or her regular job duties at all times.

12.0 FAMILY AND MEDICAL LEAVE POLICY

The purpose of this policy is to summarize the requirements of the Federal Family and Medical Leave Act (“FMLA”) as these requirements apply to employees of the Evangelical Lutheran Church in America (the “ELCA”).

12.1 Eligibility

In order to qualify to take family or medical leave under this policy, the employee must meet all of the following conditions:

- ♦ The employee must have worked for the ELCA at least 12 months (not necessarily 12 consecutive months) as of the date the leave begins.
- ♦ The employee must have worked for the ELCA at least 1,250 hours during the 12-month period preceding the date the leave begins.
- ♦ The employee must have actually performed services for the ELCA to meet the above two requirements. In other words, hours paid but not “worked”—like paid vacation, paid personal days, and paid holidays—do not count toward either the 12-month requirement or the 1,250-hour requirement. The same is true for unpaid absences of any kind, such as a personal leave, or a period of suspension or layoff.
- ♦ The ELCA must employ 50 or more employees within 75 miles of the site where the employee works. The 75-mile distance is determined by surface miles, using the shortest route from the employee’s work site.

12.2 Leave Potentially Available

If an employee is eligible, the FMLA allows an employee to take unpaid time off from work under the conditions specified below:

- ♦ Because of the birth of the employee’s child. The leave must be completed within one year after the actual birth date.
- ♦ Because of the placement of a child with an employee for adoption or foster care. The leave must be completed within one year after the actual placement date.
- ♦ Because the employee needs to care for his or her spouse, child, or parent with a serious health condition.
- ♦ Because the employee is not able to perform job duties due to his or her own serious health condition.
- ♦ Under the FMLA, the total amount of leave during a 12-month period—which the ELCA determines by using a “rolling” 12-month period measured backward from the date the employee uses any FMLA leave—may not exceed 12 weeks for one or more of the reasons described above. Further, a husband and wife who are eligible for FMLA leave and who both work for the ELCA are limited to a combined total of 12 weeks of leave during any 12-month period for leave taken because of the birth or placement of a child or to care for a parent with a serious health condition.

12.3 Important Terms Defined

Child, Spouse, and Parent

A “child” includes not only the employee’s biological, adopted, or foster child, but also a stepchild, legal ward, or child for whom the employee has day-to-day responsibilities to provide care and financial support. If older than age 18, the child must be incapable of self-care because of a “physical or mental disability.” A “physical or mental disability” is a physical or mental impairment that substantially limits one or more of an individual’s major life activities.

The term “spouse” is limited to the employee’s husband or wife and does not include an unmarried domestic partner.

A “parent” includes the employee’s biological parents or another individual who provided day-to-day care and financial support during the employee’s own childhood. The employee’s parent-in-law is not considered a parent for purposes of the FMLA.

Serious Health Condition

A “serious health condition” under the FMLA is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a hospital or other treatment facility or “continuing treatment by a health care provider.”

For purposes of the FMLA, a serious health condition involving “continuing treatment by a health care provider” includes any of the following:

- ◆ A period of incapacity—inability to work, attend school, or perform other regular daily activities due to the serious health condition—of more than three consecutive calendar days, and (1) treatment two or more times by a health care provider or by another health care professional under the orders of or on referral by a health care provider, or (2) treatment on at least one occasion by a health care provider that results in a regimen of continuing treatment under the health care provider’s supervision.
- ◆ Any period of incapacity due to pregnancy or for prenatal care.
- ◆ Any period of incapacity or treatment due to a chronic serious health condition, such as asthma, diabetes, or epilepsy.
- ◆ Any period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective, such as Alzheimer’s, a severe stroke, or the terminal stages of a disease.
- ◆ Any period of absence to receive multiple treatments, either for restorative surgery or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer, severe arthritis, and kidney disease.
- ◆ The term “health care provider” includes a physician, dentist, clinical psychologist, podiatrist, chiropractor, a nurse practitioner, a nurse mid-wife, a clinical social worker, and certain other health care professionals.

12.4 Certification of Health Care Provider

The employee will be required to provide certification from a health care provider for a leave based on pregnancy or another serious health condition. The employee will be provided a form entitled “Certification of Health Care Provider.” The employee’s physician or other health care provider must complete all parts of this certification in accordance with the applicable instructions.

The employee will have at least 15 calendar days to return the completed certification to his or her supervisor. The ELCA may delay the commencement of the employee’s leave until the certification form is fully completed and submitted. The employee may also be required to furnish re-certification relating to the serious health condition. Generally, re-certification may not be required more often than every 30 days.

Certification of the serious health condition must include the date when the condition began, its expected duration, diagnosis, and a brief statement of the treatment. For a leave based on the employee’s own serious health condition, the certification must also include a statement that he or she is unable to perform work of any kind or a statement that he or she is unable to perform the essential functions of his or her position. For a leave based on a family member’s serious health condition, the certification must include a statement that the family member requires assistance and that the employee’s presence would be beneficial or desirable.

If an employee plans to take intermittent leave or work a reduced schedule, the certification must include the dates and duration of treatment and a statement of medical necessity for taking intermittent leave or working a reduced schedule.

If the ELCA has reason to doubt the certification, it has the right to ask for a second opinion from a health care provider it selects. The ELCA would pay the cost of obtaining the second opinion.

In order to resolve a conflict between the original certification and the second opinion, the ELCA may require a third opinion, again at the ELCA's expense. The employee and the ELCA would jointly select the third health care provider, whose opinion would be considered final.

12.5 How to Request Leave

To take FMLA leave for a reason that is foreseeable, such as the birth or placement of a child or elective surgery, the employee must give the ELCA 30 days' advance notice. If 30 days' advance notice is not possible, the employee must give the ELCA as much notice as practicable. The employee must make a reasonable effort to schedule planned medical treatment in a way that minimizes disruption to the ELCA's operations. If the employee fails to provide 30 days' notice for foreseeable leave without a reasonable excuse, the ELCA may deny his or her leave request for FMLA leave until at least 30 days from the date the ELCA received notice.

For an FMLA leave that is not foreseeable, the employee must notify the ELCA as soon as practicable of the need for leave, generally no more than one or two working days after he or she learns of the need for leave. The notice may be given in person or by telephone, facsimile, or e-mail. If the employee is not able to give notice of the need for leave, notice may be given by his or her spouse, an adult family member, or another responsible person. Notice should be given to the Executive for Human Resources and the employee's immediate supervisor.

12.6 How Leave Is Scheduled

FMLA leave based on the birth of the employee's child or placement of a child with the employee for adoption or foster care must be taken all at once unless the ELCA agrees otherwise.

If medically necessary, the FMLA allows a leave based on a serious health condition to be taken on an intermittent basis or by means of a reduced leave schedule. "Intermittent leave" is leave taken in separate blocks of time due to a single qualifying reason. A "reduced leave schedule" is a leave schedule that reduces the usual number of working hours per workweek or working hours per workday, thus normally changing a full-time schedule to part-time during the period of the leave.

If an employee takes intermittent leave or works on a reduced leave schedule, the ELCA may require the employee to transfer temporarily to an available alternative position that better accommodates recurring periods of leave than does the employee's regular position. The alternative position would have pay and benefits equivalent to the employee's normal position, but it does not need to have equivalent duties.

12.7 Substitution of Paid Leave

Normally, leave available under the FMLA is unpaid. However, the FMLA provides for the "substitution" of accrued paid leave from the ELCA for unpaid leave available under the law.

Under the FMLA, employees have the right to "substitute" accrued paid leave from the ELCA for which they are eligible. The ELCA has the right to require such substitution and will normally do so.

Substitution does not affect the total amount of FMLA leave available. The total amount of FMLA leave (whether paid or unpaid) that an employee is allowed to take in a 12-month period remains 12 weeks.

The effect of substitution is that an employee would be paid for all or a portion of otherwise unpaid FMLA leave. For example, if an employee had accrued two weeks of paid vacation and needed to take two weeks of FMLA leave, the employee could elect and the ELCA would normally require that the employee substitute two weeks of vacation. The employee's remaining FMLA leave entitlement and vacation entitlement would each be reduced by two weeks. If the employee in this example needed 12 weeks of FMLA leave and had only two weeks of paid vacation accrued and no personal days or sick time, 10 weeks of the FMLA leave would be unpaid.

The FMLA requires that the employee be eligible for the type of accrued leave that is to be substituted. Accrued paid vacation or accrued paid personal days may be substituted for any type of FMLA leave. However, employee may not substitute paid sick time unless he or she meets the normal requirements for taking paid sick time. Since ELCA employees may use sick time to care for themselves or for someone in the immediate family, paid sick time could be substituted for FMLA leave taken for that purpose.

12.8 Benefits During Leave

While the employee is on leave, the ELCA will continue the individual's benefits under the group health plan at the same level and under the same conditions as if he or she had continued to work. If the employee chooses not to return to work for a reason other than a serious health condition or other circumstances beyond his or her control, the ELCA will require the employee to reimburse the ELCA for the cost of maintaining the employee's health benefits during the period of his or her leave.

The ELCA may elect to retain non-health benefits in force during the employee's leave. If he or she fails to return to work following his or her leave, the ELCA may recover the costs it incurred for paying the individual's share of the premium(s) for such continued non-health benefits.

A period of unpaid FMLA leave will not be treated as a break in service for purposes of vesting or eligibility to participate in an ELCA pension or other retirement plan. If such a plan requires an employee to be employed on a specific date in order to be credited with a year of service for vesting, contributions, or participation purposes, an employee on unpaid FMLA leave on that date is deemed to have been employed on that date. However, subject to the foregoing exceptions, unpaid FMLA leave periods are not treated as credited service for purposes of benefit accrual, vesting, and eligibility to participate.

An employee on FMLA leave will be given the same opportunity as other employees to receive or obtain any new or changed coverage, premiums, deductibles, or other benefits under the ELCA's group health plan. Any group health plan changes that apply to all ELCA employees would also apply to employees on FMLA leave.

Employees on unpaid FMLA leave are treated as if they continued to work and will be entitled to changes in non-health benefit plans—except changes that may be dependent upon seniority or accrual during the leave period—immediately upon return from leave or to the same extent they would have qualified if no leave had been taken. If a non-health benefit plan is predicated on a pre-established number of hours worked each year and the employee does not have sufficient hours as a result of taking unpaid FMLA leave, the benefit is lost.

The ELCA determines entitlement to paid holidays occurring during an FMLA leave in accordance with its established policy for other types of paid or unpaid leave. Thus, if paid sick leave, paid personal day(s), or paid vacation have been substituted for all or part of FMLA leave during which a paid holiday occurs, the employee would get the benefit of the paid holiday. The paid holiday would not be counted against the employee's FMLA leave time in this situation. However, an employee taking an unpaid FMLA leave would not be paid for a holiday occurring during the leave or for a holiday occurring during the portion of the FMLA leave for which no accrued paid leave was substituted.

12.9 Returning to Work

The FMLA requires that an employee returning to work following an FMLA leave be reinstated to the same position or an equivalent position, with the same pay, benefits, and terms and conditions of employment. However, no employee is entitled under this policy to any right, benefit or position other than that to which the employee would have been entitled had he or she not taken leave. For example, if a layoff or reduction in force or some extenuating circumstance or business condition arises that affects the employee's position, reinstatement may not be possible.

Under the FMLA, leave may be extended (but not more than the 12-week limit) if circumstances require the employee to take more leave than originally anticipated. On the other hand, the employee may be able to return to work sooner than originally planned. In either case, the employee must provide reasonable notice (within two business days) of the changed circumstances where feasible.

If the leave was based on the employee's own serious health condition, he or she must provide a "fitness-for-duty" certificate when returning to work. The fitness-for-duty certificate should relate only to the condition that caused the need for the leave. The certificate itself need be only a simple statement confirming the employee's ability to return to work.

13.0 Staff Training and Development

13.1 Continuing Education Plan (CEP)

- A. The Continuing Education Plan is a study program by which churchwide employees may develop and enhance their present knowledge, acquire new skills, and experience growth for more effective service.
- B. Continuing education activity must be related to the employee's job responsibilities or to a recognized degree program, as provided in Section 13.9 of the Personnel Policies of the Churchwide Organization. The employee's supervisor must approve in advance any use of CEP time or CEP funds. Successful completion of CEP courses, workshops, or seminars does not imply nor guarantee that an employee will receive a promotion, a change in position, or a salary increase.
- C. The CEP coordinator within Human Resources has overall responsibility for administration of staff development activity, for facilitating CEP enrollments, for review and assessment of withdrawal requests, for approving or disapproving of these requests, and for monitoring and maintaining appropriate CEP master files for each participant.
- D. An employee's continuing education plans for the coming year are to be discussed in conjunction with their annual performance appraisal. A determination of annual continuing education activity is to be made in consideration of the needs of both the employee and the employing unit or section.

13.2 CEP Enrollment and Participation

- A. Only churchwide employees eligible for benefits under Section 3 of the Personnel Policies of the Churchwide Organization may participate in CEP. Part-time regular employees may participate in the CEP on a prorated basis, reflecting their percentage of full-time employment.
- B. To participate, an employee may annually contribute a minimum of \$25 to a maximum of \$250, and the employing unit or section will triple the employee's contribution. Employee contributions are collected only via payroll deduction and are held by the Office of the Treasurer until utilized by the employee.

13.3 CEP Funding

- A. CEP funds and accumulated interest are made available to the employee upon request, with the approval of his or her unit executive director or executive for a section. Interest is accumulated only on the employee-contributed portion. The interest rate is set and may be adjusted by The Office of the Treasurer. Accumulated interest and employer-contributed funds are considered as taxable income by the Internal Revenue Service, and will be annually reported on the employee's W-2 form.
- B. Funds budgeted for CEP but not expended in the year budgeted will be transferred to the benefits pool in the Office of the Treasurer at the end of the year, to be held for use in future years.
- C. The maximum amount that an employee may have in their CEP account at any time is \$1,500 of employee-contributed funds.
- D. The maximum employer contribution for any CEP activity is \$4,500 per participant, per calendar year.

13.4 CEP Time

- A. With the approval of his or her unit executive director or executive for a section and the Executive for Human Resources, an employee who participates in the CEP will be eligible to utilize one (1) to ten (10) days of CEP time each year to participate in work-related training courses, seminars, and actual classroom attendance. The amount of time available to the employee is calculated on the basis of one day per year for every twenty-five dollars (\$25) annually contributed by the employee.
- B. Time to be taken for continuing education purposes is to be arranged, in advance, with the employee's supervisor. CEP time not taken does not accrue and may not be carried over into the following year.
- C. CEP time may not be utilized for registration or academic counseling. Generally, CEP time may not be used for participation in an undergraduate or graduate degree program, even though the degree program may be related to the employee's job responsibilities. However, if a course cannot be scheduled at any off-work time, CEP time may be used with the consent of the unit supervisor.
- D. CEP time may be granted for travel to and from events. This time is limited to no more than two days per event.

13.5 Transfers and Terminations of CEP Funds & Time

- A. If an employee transfers to another unit or section within the churchwide organization, the employee's contribution, the employing unit's or section's contribution, the accumulated interest on the employee's contribution, and the unused time for that year will be transferred to the employee's new churchwide unit or section.
- B. If the employee's service with the churchwide organization is terminated for any reason, including retirement, only the balance of the funds contributed by the employee and the accrued interest are returned to the terminating employee.
- C. Under no circumstances will an employee's CEP account remain open or accrue interest after his or her date of termination.

13.6 CEP Withdrawals

- A. A CEP withdrawal form should be completed with the required documentation and submitted to the CEP Coordinator in Human Resources at least thirty (30) days before the funds are needed.
- B. CEP funds will be made available to the employee only when proof of payment accompanies the request for withdrawal or there is sufficient accompanying documentation verifying the costs that are required to be paid by the employee.

13.7 CEP Accountability

- A. An employee must complete the course for which they have requested a withdrawal of CEP funds and must have received a passing grade (where applicable). If not, the employer-contributed funds are to be returned by the employee to the churchwide organization. Failure to provide proof of course completion and documentation of a passing grade may jeopardize future participation in the CEP.
- B. Within two weeks after completion of his or her course of study, the employee is required to submit to the CEP coordinator in Human Resources, program-related receipts and documentation of his or her attendance and course completion as outlined on the withdrawal form.
- C. The CEP coordinator is responsible for verifying the appropriateness of the documentation and for tracking the submission of the required information in a timely manner.
- D. Use of CEP time is to be entered by the employee in the Time & Attendance System and strictly monitored by the employee's immediate supervisor and approved by the supervisor in the system.

13.8 CEP Withdrawal Requirements and Restrictions

- A. An employee may not borrow funds from another employee's CEP account, nor receive an advance of CEP funds.
- B. If an employee requests a CEP withdrawal and has an inadequate fund balance, the withdrawal will not be authorized and the request form will be returned.
- C. If an employee withdraws from participation in the CEP, he/she will not be permitted to re-enroll for a period of twelve calendar months.
- D. CEP funds are intended only for continuing education purposes. Funds may not be used to purchase or lease computers or other equipment.

13.9 Degree Programs

- A. CEP funds may be used to help eligible employees develop their skills and upgrade their performance through a degree program.
- B. CEP funds may be utilized for attending an undergraduate or graduate degree program in any recognized field. It is expected that educational degree program activities will not interfere with the employee's normal job duties for the churchwide organization.
- C. Registration and other academic fees, including the cost of books, are covered as a reimbursable expense. Receipts to verify the use of funds requested to cover these fees are required and are to be approved by the employee's supervisor. All such documentation is then submitted to the CEP coordinator in Human Resources.

13.10 Internal Training & Educational Opportunities

- A. Unit executive directors and executives for a section are encouraged to promote opportunities for growth, both personal and professional, for their employees. Ongoing, internal educational opportunities will be based on the employee's needs, the needs of the unit or section, and the need to enhance the work of the churchwide organization. Internal training will offer professional and personal growth opportunities as determined, recommended, or approved by the unit executive or executive for a section. Discussion of ongoing educational needs and support are to be part of each employee's annual performance appraisal.
- B. Distinct from sabbatical leaves (described in Section 13.13), these training opportunities will normally require less than one month of the employee's time and will be tailored to fit the needs of employees. In most instances, the training will be provided by a specific unit(s) of the churchwide organization or will be arranged in consultation with Human Resources.
- C. Ongoing, internal educational opportunities are granted at the discretion of the employing unit's executive director or executive for a section and may not be available each year. Funding may be obtained from accumulated CEP funds or from unit funds.

13.11 Individual or Sponsored Study Programs with Travel

- A. Individual or sponsored study programs and travel tours offer employees an opportunity to learn about ELCA issues, concerns and programs in the setting where they occur, through direct interaction with the people involved. Such tours also instill in participants a more meaningful understanding of the ministry being carried out by the ELCA.

The criteria for evaluating a CEP funding or time request for participation in an individual study program with travel or a sponsored study/travel tour program include:

- o having as its primary goal a structured learning experience related to ELCA programs, with specified objectives;

- sponsorship by the ELCA, a related organization, group, or ecumenical organization. (Tours sponsored by non-related organizations are to be evaluated by Human Resources prior to unit approval.)
- being committed to and having responsibility for presenting their experiences and learnings to congregations, churchwide staff, and other groups.

B. An employee who desires to participate in an individual study program with travel must complete and submit, along with his/her request for withdrawal of CEP funds, a proposal which meets the requirements on the CEP Withdrawal Form.

Travel costs incurred in order to participate in an approved individual study program with travel or a sponsored study/travel tour program are an allowable expense. All proposals that include international travel must be approved by the unit Executive Director and the Executive for Human Resources.

13.12 Development Plan

With the approval of his or her unit executive director or director, an employee may be given development opportunities aimed at assisting him or her to: a) better fulfill the requirements of the position he or she holds or, b) qualify for a new position within the churchwide organization.

A development plan should be part of the employee's annual performance appraisal process. The plan must be based on "the employee's needs, the needs of the unit or section, and the need to enhance the work of the churchwide organization." (See Section 13.10)

A development plan is a formal, written document that states overall goals, methods of accomplishing the goals, and a time frame for completion. It should be directly related to the employee's job responsibility.

- A. Funding may be obtained from the employee's personal funds, accumulated CEP funds (providing the program meets stated CEP parameters), and/or from unit or section funds.
- B. An employee may not be compelled to pursue a development plan that requires expenditure of personal or accumulated CEP funds. Successful completion of a development plan cannot be used as a condition of continued employment, promotion, or change of position.
- C. The employee is to make arrangements, in advance, with his or her unit executive director or executive for a section for appropriate time off to participate in an approved development opportunity. The employee will receive full salary and benefits during his or her absence.

13.13 Sabbatical Leave

- A. The churchwide organization recognizes that employees have a need to increase and extend their knowledge and competency in their fields of specialization. This may be accomplished through a sabbatical leave, normally a period of one to three months, during which time full salary and benefits will be continued.
- B. Sabbatical leaves are restricted and are intended for use by those employees (clergy or lay) for whom it can be demonstrated that such leave will increase their value to the churchwide organization. The employing unit, at its sole discretion, determines which employees will be granted a sabbatical leave. An employee is eligible to request a sabbatical leave after six years of full-time employment by the churchwide organization or an ELCA-related institution. The sabbatical leave is not generally combined with any other leave. CEP funds, but not generally CEP time, may be used for sabbatical leave purposes following the guidelines in 13.6 CEP Withdrawals.
- C. Subsequent sabbatical leaves may be considered at six year intervals.
- D. Requests for sabbatical leave, including the proposed program of study, are to be submitted, in writing, to the employee's unit executive director or executive for a section. Following approval by the unit executive

director or executive for a section, the proposed program of study and funding is to be forwarded to the Executive for Human Resources for review and approval, normally one month prior to the beginning of the sabbatical. Requests for sabbatical leave by the full-time salaried officers are to be submitted to and approved by the Church Council Executive Committee and reported to the Executive for Human Resources. No employee may take a sabbatical leave at the completion of his or her service. An employee granted a sabbatical leave shall normally be committed to a minimum of six (6) months of service to the churchwide organization following the conclusion of the leave. Any exceptions must be approved by the Executive for Human Resources.

14.0 SEPARATION FROM EMPLOYMENT

Employees of the churchwide organization may be separated from employment under the provisions of this section and also under the provisions of Section 17.0, Staff Reduction Policy.

14.1 Completion of Specific Term

Employees of the churchwide organization who have received a call, are elected, or have a written employment agreement for a specific time, will be separated from employment at the end of that period, unless re-election or re-employment, or another call occurs.

14.2 Separation After Progressive Corrective Action

In the event an employee does not meet the explicitly defined and attainable goals and actions as set forth in Section 6.3, Progressive Corrective Action, that person will be subject to termination.

14.3 Separation for Other Reasons

This policy applies to all employees, including those elected for a specific term, except those identified by 20.50 of the ELCA Constitutions, Bylaws, and Continuing Resolutions. No employment policy can cover the entire range of possible work-related matters. It may be in the interest of the ELCA to handle certain separations on a case-by-case basis, skipping or eliminating progressive, corrective action when it might otherwise have been considered. An example of the kind of separation that will be handled on a case-by-case basis is personal conduct that may have an adverse impact on the ELCA's relationship with its congregations or the public or on the church's ability to communicate its mission and its message.

No case-by-case termination shall occur without prior concurrence of the Executive for Human Resources, the employee's unit executive director or executive for a section, the Executive for Administration, and either the Secretary or the Treasurer. If, for any reason, the Executive for Human Resources, a unit executive director or executive for a section, or the Executive for Administration is the subject in such a case where personal conduct, as described above, is involved, the Presiding Bishop shall concur with the termination.

Employees separated under this section will not have access to the Grievance Procedures as stated in the Personnel Policies of the Churchwide Organization.

14.4 Separation Pay

Separated employees will be paid accrued salary and accrued vacation as of the date of their separation. Individuals whose employment is terminated because their specific term of employment has ended (Section 14.1) shall receive no additional separation pay. Individuals who are separated under Section 6.4 (Separation by Mutual Agreement), ordinarily will receive either one month's notice or one month's pay, in lieu of notice. Employees who are separated under Section 14.2 (Separation After Progressive Corrective Action) will receive no separation pay. Employees separated under Section 14.3 (Separation for Other Reasons) may receive up to one month's pay.

14.5 Outplacement Assistance

To the extent possible, Human Resources will make outplacement assistance available, upon request, to separating churchwide organization employees, except those who are separated under adverse conditions.

14.6 Resignation

An employee need not remain in a position beyond the time that he or she believes he or she can make a contribution to this church. Employees who wish to terminate their employment are requested to give at least a two week notice. Employees who resign will receive payment for the time they have worked since the last pay period and for their unused, accrued vacation time. However, an employee who resigns will not receive separation pay.

15.0 GRIEVANCE AND APPEAL PROCEDURES

15.1 Purpose

The churchwide organization strives to provide fair and equitable consideration of all employee grievances and appeals. Therefore, the purpose of this document is to establish the policy and procedures to be followed when an employee initiates such an action.

15.2 Policy

For purposes of this section “grievance” is defined as a written request by an employee, or group of employees, for a particular remedy in any matter of concern or dissatisfaction relating to pay or personnel action. Actions resulting from a staff reduction (Section 17 of the Personnel Policies of the Churchwide Organization) are not included. Disagreements with the Personnel Policies of the Churchwide Organization do not constitute a grievance. Grievances should initially be discussed with the employee's immediate supervisor and or the unit executive director or director. Every effort should be made to settle the matter through such discussion.

If the problem cannot be resolved through discussion, the employee may file a written grievance with the Executive for Human Resources. The effective date of the matter being grieved is not postponed by the filing of the grievance. The grievance must be submitted in writing to the Executive for Human Resources, within fifteen (15) days after the alleged action or the employee's knowledge of the action. (“Days” are defined as calendar days, including holidays, weekends, and other non-working days.) The written grievance should provide sufficient details to clearly identify the matter being grieved or appealed, state the reasons why the employee believes the action or decision was not warranted, specify the particular remedy being requested, and be dated and signed by the employee. The Executive for Human Resources will respond within 30 days of receipt of the written grievance.

If the grievance is still unresolved, the employee may request in writing a review by the Grievance Committee. The request must be submitted in writing within ten (10) days of the date of the response by the Executive for Human Resources. This review normally occurs within 30 days of the date of the response from the Executive for Human Resources. The matter will be reviewed by a committee comprised of the Executive for Human Resources, the executive for administration, the unit executive director or the executive for a section, and one staff member from the employee's unit or section chosen by the executive for administration. The Grievance Committee will make the final determination and the Executive for Human Resources will inform the employee of the disposition in writing.

An employee has a right to present a grievance or an appeal without representation. The employee also has the right to be accompanied, represented, and advised by one representative of the employee's choice, from within the churchwide organization's employee base, at any stage of the proceedings. The representative may accompany the employee or may act for the employee without the employee's presence. The employee must designate the representative in writing. Members of Human Resources will not serve as employee representatives.

Disciplinary action against a supervisor, other official, or employee is not a personal remedy that may be demanded by an employee under these procedures; therefore, it is not properly an issue for discussion during an inquiry, nor will it be specified in a decision on a grievance or an appeal. When an employee complains of harassment, personal bias, or other improper acts of a churchwide organization official or employee and requests disciplinary action, the essential issue for inquiry is whether or not the employee has cause for the complaint. If it is found that the employee had reasonable cause for the complaint, the employee is entitled to know only that appropriate corrective action is being taken. As a general rule, the employee is not entitled to know what the corrective action will be, who will be involved, the method management will use to make necessary corrections, or what disciplinary action may result.

16.0 EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT

16.1 Policy

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at the ELCA will be based on merit, qualifications, and abilities. The ELCA does not discriminate in employment opportunities or practices on the basis of race, color, sex, national origin, age, disability, sexual orientation, or any characteristic protected by law. As a church, the ELCA may consider religious factors, including clergy or lay status, in making personnel decisions.

The ELCA will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

The ELCA is committed to providing a work environment free of all forms of conduct that can be considered harassing, coercive, or disruptive, including sexual harassment.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or the Executive for Human Resources. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

16.2 Supervisory Responsibilities

All employees with supervisory responsibilities, including executive directors and executives for a section, are required to have a thorough knowledge of the churchwide organization's equal employment opportunity policy as it pertains to their relationship with applicants and employees, and are expected to apply this knowledge on a continuous and active basis. The performance appraisal of supervisors will include an assessment of their adherence to and compliance with the churchwide organization's commitment to equal employment opportunity.

16.3 Review by Program and Services Committee

The Program and Services Committee, in its review of Human Resources, will include overall equal employment opportunity and hiring and selection procedures, and will report to this Church Council on their effectiveness.

16.4 Anti-Harassment

The ELCA is committed to maintaining a work environment that is free from harassment. Harassment consists of unwelcome conduct, whether verbal, physical, or visual, that is based on a person's protected status, such as sex, color, race, religion, national origin, age, physical or mental disability, or other protected group status.

The ELCA will not tolerate harassing behavior that affects tangible job benefits, that interferes unreasonably with an individual's work performance, or that creates an intimidating, hostile, or offensive working environment.

All employees are responsible to help assure that the workplace is free from harassment. An employee who feels that he or she has experienced or witnessed workplace harassment, should notify the Executive for Human Resources, his or her supervisor, or unit executive director or executive for a section. The ELCA forbids retaliation against anyone for reporting harassment, assisting in making a harassment complaint, or cooperating in a harassment investigation. If an employee feels he or she has been retaliated against, he or she should notify the Executive for Human Resources, his or her supervisor, or unit executive director or executive for a section. It is the ELCA's policy to investigate all such complaints thoroughly and promptly. If an investigation confirms that a violation of the policy has occurred, the ELCA will take corrective action, including discipline, up to and including immediate termination of employment.

16.5 Definition of Sexual Harassment

Sexual harassment is defined as unwanted sexual advances, or unwelcome visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment with a person of the same sex as the harasser.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other unwelcome verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

16.6 Violations

An employee who experiences or witnesses sexual or other unlawful harassment in the workplace should report it immediately to his or her supervisor. If the supervisor is unavailable or it is believed it would be inappropriate to contact that person, Human Resources should be contacted. There will be no retaliation for good faith complaints of, reports about, or participation in an investigation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, the employee's confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure.

17.0 STAFF REDUCTION POLICY AND PROCEDURES

17.1 Policy

The churchwide organization seeks to provide continuous employment and professional growth opportunities to qualified employees. However, fluctuations in the amount and type of work to be performed and budget constraints may require reductions in staff.

When a staff reduction is necessary, the procedures set out in this plan are to be followed. They are designed to be fair to employees and to insure the ability of the churchwide organization to perform its mission. The churchwide organization policy considers both qualifications and creditable service (See Section 4.2), when separating employees.

When the Office of the Presiding Bishop, Church Council, board, program committee, or advisory committee, unit executive director or executive for a section determines that a staff reduction is necessary, the procedure described below is to be implemented within a unit or section. Responsibility for administration of the procedure rests with the executive director or executive for a section within which a staff reduction occurs.

This policy is to be followed in each case where an employee must be separated from his or her position because of a staff reduction. Any deviation must be approved by the Executive for Human Resources and the Executive for Administration.

17.2 Procedure

- A. Staff Reduction: Prior to a staff reduction, Human Resources and the unit executive director or executive for a section shall perform a staff analysis on the basis of: (a) specific position function, (b) specialty categories or, (c) a combination of both. The employees shall be identified by position after consideration of the following:
 - 1. Non-Regular Employees: Cancel temporary agency personnel arrangements
 - 2. Critical Employees: All employees whose skill, knowledge, experience, or assignment is critical to the unit, irrespective of length of service, shall be retained.
 - 3. Employees on Leave of Absence: Employees in paid or unpaid leaves of absence (including military leave) shall be considered as present.
- B. Each affected unit or section will produce position descriptions and performance evaluations for each position and incumbent potentially affected. A list of all potentially separated, regular employees within the unit or section will be compiled and arranged within the job family by creditable service. An analysis will be made as to the number of potentially separated employees who are: over 40, persons of color, female, or individuals with disabilities. Critical employees shall not be considered to be potentially separated employees. The goal is for the staff configuration to remain at the same proportion and representation as it was prior to the proposed separation. If not, the employment decisions will be reviewed to ensure that the basis for the decisions reflect the Church's commitment to inclusivity.
- C. Training employees within the same job family or specialty category who are not critical will be retained or separated based on two criteria: (1) creditable service and (2) qualifications.
- D. The unit's or section's staff reduction plan must be reviewed by the Office of the Presiding Bishop.
- E. The unit's staff reduction plan is then submitted to the Executive for Human Resources and must be approved by the Executive for Administration before implementation.

17.3 Communication to Employees

- A. Early Warning

When a staff analysis indicates there is a potential staff reduction, those employees who may be affected shall be given early warning of the possibility of separation. Such early warning should be given as soon as it is practical after the potential separation has been identified. This early warning period is not counted as part of an official notification that is outlined below.
- B. Separation Notice
 - 1. When positions are identified for separation, the supervisor will notify each incumbent of his or her status and separation date.
 - 2. Minimum Separation Notice: All employees, regardless of their creditable service, are assured a minimum separation notification of three (3) months.
 - 3. Notice Period Options: The unit executive director or executive for a section may, with prior approval from Human Resources, implement any one of the following options in satisfying the separation notice:
 - a. Total Notice: This option will be the method of operation except in cases of security risk or questions of ethical conduct. The unit executive director or executive for a section will give each employee notice of his or her specific separation date. If an employee secures other employment, he or she may be separated before the end of the notice period. Payment of salary will continue until the end of the separation period.

- b. Total Pay in Lieu of Notice: This option will be used when conditions dictate such action. Three (3) months separation pay may be given to the separated employee in lieu of three (3) months of service. Circumstances, such as no work available or the immediate removal of the employee for residual staff morale reasons, are two examples. The supervisor will inform the affected employees if they are to be immediately separated, and full pay in lieu of standard notice will be given.
 - c. Combination of Notice and Pay in Lieu of Notice: This option is an exception to be used only when unusual conditions dictate such action. It may be used to help unit or section work schedules and or the employee's schedule in seeking outside employment.
 - d. Time Off During Notice Period: The supervisor will grant reasonable time off to the separated employee so that he or she may seek other employment and will make certain the employee is aware of this provision.
- C. Access to Grievance Procedures: Employees separated under this staff reduction policy will not have access to the Grievance Procedures as stated in the Personnel Policies of the Churchwide Organization.
 - D. Employees Not Separated Employees not expected to be separated will be so informed by their unit or section executive director or director after separated employees have been notified of their status.
 - E. Separated Employees Who Become Reemployed by the Churchwide Organization Employees affected by a staff reduction who accept and start another position within the churchwide organization prior to the end of their separation period must waive any balance of their separation pay.

17.4 Outplacement Assistance

Human Resources will offer assistance to separated churchwide organization employees in securing employment outside of the churchwide organization.

17.5 Benefit Status During Separation Notice and/or Pay in Lieu of Notice

All benefits will continue while the employee is on notice or is receiving salary continuance in the form of pay in lieu of notice (since they are, in fact, still on active employee status). If the employee is paid a lump sum for the separation notice period, the employee is considered to be on an active status and benefits will continue until the end of the separation period. Unused, accrued vacation will be paid upon separation, but benefits will not extend past the separation period.

In accordance with provisions of the Board of Pensions Medical and Dental Plan, an employee is eligible to continue health coverage, at his or her own expense, after his or her termination date.

18.0 ETHICS POLICY

18.1 Employee Operational Ethics Policy of the Churchwide Organization of the Evangelical Lutheran Church in America

The Employee Operational Ethics Policy of the Churchwide Organization of the Evangelical Lutheran Church in America addresses business ethics and does not include the other ethical values and policies of the Evangelical Lutheran Church in America (referred to as "ELCA"). The Employee Operational Ethics Policy applies to all employees of the ELCA churchwide organization (referred to as the "churchwide organization") in matters relating to the performance of their duties and responsibilities for the churchwide organization.

All funds and property received and administered by the churchwide organization are entrusted to the organization by God through the faithful financial support of ELCA members and friends. The highest degree of stewardship and fiduciary responsibility is expected of all employees, including the receiving, reporting, and use of

funds, property, and time. Employees are responsible for complying with laws, regulations, and churchwide policies and procedures.

18.2 Standards of Ethical Conduct

1. *Duty of Loyalty.* Each employee is responsible for acting in the best interests of the churchwide organization. These responsibilities are set forth below.
2. *Conflicts of Interest.* All employees shall avoid conflicts of interest, potential conflicts of interest, and situations that give the appearance of conflicts of interest¹.
 - a. Conflict of interest means any situation in which the employee may be influenced or appear to be influenced in decision-making or business dealings by any motive or desire for personal advantage other than the success and well-being of the churchwide organization. Personal advantage means a financial interest or some other personal interest, whether present or potential, whether direct or indirect. This standard applies to both actual and contemplated transactions. When in doubt, the employee is to assume there might be a conflict.
 - b. All present and potential conflicts of interest issues must be disclosed. If the conflict is known in advance of any meeting, business transaction, contract, or other activity at which issues may be discussed or on which the issues may have a bearing on the employee's approach, whether directly or indirectly, it shall be disclosed ahead of time. If the conflict is not known in advance, it shall be disclosed when the actual or potential conflict becomes apparent. Disclosure is to be made in writing to the employee's supervisor.
 - c. When issues relate to a meeting, disclosure is appropriate to the person in charge of the meeting and, at the discretion of the person in charge, to the full meeting. The employee shall leave the meeting room to avoid all discussion, voting, and deliberation on the issue. Following full disclosure of the present or potential conflict, the board, program committee, or advisory committee may decide that no conflict of interest exists and invite the participation of the employee. All such actions shall be recorded in any minutes or records kept.
 - d. All employees are likewise to disclose, in writing, matters and relationships that have the potential for giving rise to the appearance of a conflict in business dealings with the churchwide organization. Examples include, but are not limited to, financial interests and/or leadership roles with vendors and other organizations doing business with the churchwide organization. The unit executive director or executive for a section or other appropriate staff will evaluate disclosures and determine the appropriate action to be taken. Business dealings with friends and family are particularly sensitive and are to be disclosed and carefully evaluated because of the potential for inferences of tangible or intangible personal advantage and the appearance of impropriety.
 - e. To avoid appearances of impropriety, any gifts, gratuities, and hospitality to an employee—such as free travel, hotel, or residential rooms—typically will not be accepted by any employee from any person or organization that sells, delivers, or receives any goods, materials, and services to or from the churchwide organization. Occasional *de minimus* gifts are exempt from this rule². Gifts that primarily benefit the churchwide organization and not an individual, such as gifts of hospitality given to the churchwide organization by hotels, conventions, and conferences in relation to official churchwide organization business, are exempt from this rule. Employees also may participate in reasonable, normal relationship-building activities, such as meals, sporting events, and other such activities. All gifts and such participation are to be reported, in advance if

¹ Investments with the Mission Investment Fund and the ELCA Foundation are not considered a conflict of interest.

² *De minimus* gifts are typically gifts of less than \$45.00 value, such as flowers or foodstuffs.

possible, to a supervisor, the unit executive director or executive for a section, or a full-time officer of the church.

3. *Confidentiality.* Employees shall not disclose information about the churchwide organization that is not known outside of the churchwide organization or is not known by public means.
4. *Duty of Care.* The duty of care and obligation of good stewardship requires all employees to act first in the best interests of the churchwide organization. All employees shall exercise reasonable efforts to inform themselves of the mission and ministry of the ELCA. All employees shall act as a reasonable employee would act under the same or similar circumstances.
5. *Transactions and Reporting.* Each employee has a duty to prepare, process, maintain, and report complete, accurate, and timely records pertaining to their role, including, but not limited to, journal entries, expense reports, disbursement requests, and payroll transactions. This also includes safeguarding all physical, financial, informational, and other company assets. In addition, no undisclosed or unrecorded fund or asset will be established, and no artificial or false entries will be made in the financial or other records of the ELCA. The use of the ELCA's funds for any unauthorized or unlawful purpose is prohibited.
6. *Duty to Disclose.* Employees have a duty to disclose all breaches of this policy including misconduct, fraudulent transactions, errors related to overpayments, or any other impropriety, whether by themselves or by others. Likewise, concerns about the appearance or the possibility of breaches should be reported. Care must always be taken to be factual and objective. Breaches shall be reported to one of the following: the employee's supervisor, Executive for Human Resources, the director for internal audit, the General Counsel, or a full-time officer of the ELCA. All breaches relating to accounting, internal accounting controls or auditing matters must also be forwarded to the director for internal audit for further action and reporting to the Audit Committee. There will be no retaliation for good faith complaints, reports, or participation in an investigation.
7. *Violations.* Violation or noncompliance may result in discipline, including possible termination.
8. *Amendments.* The policy may be amended from time to time.

