



the  
episcopal diocese  
of san diego

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fearless love

# **Human Resources Management Workshop**

## **February 24, 2018**

### **Julie Young & Marshall Moore**



*Believing in the call to the Church to strive for justice and peace among all people, and to respect the dignity of every human being, The Episcopal Church seeks to promote professional employment environments that offer opportunity for development and advancement. The Church's commitment to this is summed up in the widely accepted "Golden Rule":*

*"In everything, therefore, treat people the same way you want them to treat you . . ." (Matthew 7:12a)*

Excerpt from "Workplace Values in the Episcopal Church" (Resolution A125, General Convention 2006.):

# Topics to be Covered

- I. Compliance with California Employment Law
- II. Hiring
- III. Termination
- IV. Benefits

# I. Compliance with California Employment Law



# Classification of Employees and Other

- Employees
  - Exempt
  - Non-Exempt
- Independent Contractors
- Volunteers
- ❖ *All employees should have a job description that includes their classification*
- ❖ *All employees should be evaluated annually (clergy should have mutual ministry review)*

# Exempt Employees

- Paid on a salary basis and not by the hour
- Must be paid at least \$45,760 per year in organizations with 26 or more employees
- Must be paid at least \$43,680 per year in organizations with 25 or fewer employees
  - This CANNOT be prorated for part time employees
- Must be managerial or other specialized skills
- 50% of work time must be in exempt duties

# Non-exempt Employees

- Minimum wage in California:
  - \$10.50/hour in organizations with 25 or fewer employees
  - \$11.00/hour in organizations with 26 or more employees
  - \$11.50/hour in organizations within the city of San Diego
- Paid by the hour: MUST turn in a timesheet and be paid according to that time sheet; stipends or salaries not legal
- Must be paid overtime for more than 8 hours per day or 40 hours per week, double time for over 12 hours in a given day
- CANNOT volunteer in the same capacity as they are paid
- “Comp” time is not allowed
- Sextons typically should be non-exempt

# Independent Contractor Criteria

- Has separately established business
- Work done without supervision and contractor has control over manner of performing service
- Contractor supplies own tools and place of work
- Contractors often paid flat amount per period
- Work is part of regular business of employer
- Is not intended to be an employee relationship
- The contractor can make a profit or take a loss
- Paid choristers and organists should be considered employees

# Independent Contractors

- Request Certificate of Insurance naming church as additionally insured, W-9, and (if applicable), copy of license
- Have a written contract specifying scope, pay and term (*template on website – search on independent contractors*)
- Provide 1099 at the end of the year that includes gross payment to non incorporated contractors if total payments exceed \$600 (legal requirement)

# Volunteers

- Volunteers who work more than 4 hours per week in a position that the church might alternatively pay some one to do should fill out a volunteer agreement (template is on website <http://edsd.org/human-resources>)
- Non Exempt employees can not volunteer for work they are paid for but can volunteer for other work (e.g. bookkeeper can sing in choir)

## II. Hiring

### Hiring Process:

- Recommend open process
- With a lot of candidates, preliminary phone interview is suggested of 5-10 candidates
- Have final 3 candidates fill out application form and come for in person interview
- Conduct reference checks and background checks (diocese can process) at very end and make offer conditional.

# Hiring New Employees

*California is an “at-will” state*

- Lay employees: no employment contracts; use employment offer letter on website
- Lay employees are to have a job description that includes classification (exempt/non-exempt) hours, supervisor, essential duties, “Other duties as assigned” (use template on website)
- Job descriptions are critical – know what you are looking for
- Review for content – is it still accurate
- Opportunity to make changes
- Personnel files are to be maintained

# Hiring, cont'd:

## Safeguard God's People

- Make sure background checks are conducted
  - Praesidium does low cost background checks for lay employees
    - Credit Check recommended for people handling money
    - Requires authorization by prospective employee
  - Contact Keren Mondaca (kmondaca@edsd.org) EDSD Registrar to order
  - Cannot be done on existing employees without their permission
- Make sure key volunteers and employees participate in Safeguarding God's People

# Hiring Clergy

- Done under guidance of Canon for Spiritual Formation, Allisyn Thomas
- Letter of Agreement Template available; send draft to Canon Thomas before it is signed
- Oxford Background Check must be completed
- Complete New Assignment Notice to CPG
- Pass Housing Resolution
- Assure compliance with Denominational Health Plan

# Hiring Clergy

- Clergy compensation and benefits is complicated – and (hopefully) hiring is done rarely
- *Contact Kirby Smith early in the interim to help with compensation package and then again at the time of selection and call*

# Managing employees

- Communication is key - make sure employees feel valued and an integral part of team
- Annual evaluations are important
- Provide vacation time and encourage employees to take it

# III. Termination

- Progressive Discipline
- Termination Checklist
- Inform the diocese of termination for health insurance
- Inform CPG of termination for pension



# Progressive Discipline

- Although California is an at-will employment state, adopting a progressive discipline approach or work improvement plan values the employee and manages risk
- Basic steps include 1 verbal and 2 or 3 written warnings with very specific reason for warning and very specific corrective action. Last warning will state that termination of employment might result if behavior is not corrected
- Policy must include “up to and including termination”
- If action of employee is egregious e.g. theft, progressive discipline does not apply
- Consistency is key in any disciplinary action
- *Annual evaluations are key as well*

# Involuntary Termination

- If you are a mission and plan to terminate an employee, please contact the diocesan treasurer first
- If you are a parish, consult with a human resources attorney first or diocesan treasurer

# Termination Checklist

- Have on file either the resignation letter signed by the employee *or* documentation of progressive discipline/termination of involuntary termination
- In an **involuntary termination**, all moneys owed must be paid at the time and place of termination
- In a **resignation**,
  - with 72 hours prior notice and the resignation occurs on the day specified, all moneys owed must be paid on that day
  - without 72 hours prior notice, all moneys owed must be paid within 72 hours of quitting
    - If payment is to be mailed, the date of the mailing is considered to be the date of payment
- Be sure to request diocese to process health insurance termination

## *Available on website:*

- Exit Interview
- Final Paycheck Acknowledgement
- Notice to employee as to change in relationship

# IV. Benefits

- Sick leave
- State Unemployment
- State Disability
- Health Insurance
- Pension
- Employee Assistance Program

# Sick Leave

- All employees must be given a minimum of 24 hours of sick leave (at least 1 hour for every 30 worked)
- Employees within the city of San Diego must get 40 hours of sick leave
- Both can be either accrued or provided as a lump sum

# CPG Administrative Resource Center

[www.cpg.org/arc](http://www.cpg.org/arc)

## **You'll find:**

- Guides and checklists to help you with the administration of employee benefits
- Detailed explanations of bills and Pension Assessment Notices
- Frequently used forms and publications
- FAQ

# California Unemployment and Disability Insurance



# Unemployment and Disability

- Church employers are exempt from participation in State Unemployment and Disability Insurance Programs
- Church employers may elect to participate in both programs – cannot opt into one program only
  - Employer pays for unemployment insurance
  - Employee pays for disability

# Unemployment and State Disability

- Missions are required to offer State Unemployment and Disability; Parishes are encouraged to offer
- Church employers must allow employees to vote to participate; majority rules
- Process for conducting vote and applying for unemployment insurance and state disability can be found on our website  
*<http://edsd.org/unemployment-and-disability-insurance/>*

# Denominational Health Plan

- Requires parity between clergy and lay employees working 1500 hours per year or more at a minimum of 98.5% of employee only coverage of base plan. Family and spousal subsidies of \$300 and \$150 per month respectively
- Letters of agreement executed after 2-28-12 must be in compliance
  - Older letters of agreement are grandfathered in
- Schools, thrift shops and affiliated institutions are optional

# Denominational Health Plan

- Missions are required to offer the diocesan parity; diocesan plan is available on the website
- Parishes were required to approve their plan in keeping with the guidelines passed at last years convention.
- New Base Plan is Anthem Consumer Directed 15 plan with HSA funding; parish plans need to be updated and sent to the diocese

# Lay Pension Plan

- A pension plan must be offered to all lay employees who work greater than 1,000 hours per year.
- Implementation date: January 1, 2013 or sooner
- Employer must contribute at least 5 % and match at least 4% of employee contribution
- Immediate vesting required

# Lay Pension Plan, continued

- Unlike the DHP which allows thrift shops and schools to be excluded, lay pension plan applies to all employees of a church or institution under the authority of the church
- However, schools were allowed a transitional period

# Lay Pension Plan

## **Extended Phase-In Schedule of Employer Contributions *for Schools Only***

<u>Required As of</u>	<u>Base Contribution Match Contribution</u>	
January 1, 2013	0%	0%
January 1, 2014	1%	0%
January 1, 2015	2%	1%
January 1, 2016	3%	2%
January 1, 2017	4%	3%
<b>January 1, 2018</b>	<b>5%</b>	<b>4%</b>

# What is the EAP?



~~problem~~

solved

Within minutes you can go from *problem* to *solved* with your Employee Assistance Program (EAP)

- Free, confidential resource for counseling, support and life event assistance
- Available **to all members of the plan and their household members**, regardless of medical coverage – This means if you have coverage with CMT, you have access to the EAP

# Call CIGNA EAP: 1.866.395.7794



- 24/7 access with live coverage
  - Excellent access to EAP providers in the local community nationwide
  - Work/life benefits for life event assistance
  - Extensive Web-based resources
  - Free, confidential assistance for you and your loved ones
  - Wellness seminars
  - Management consultation and crisis response support
- [www.cignabehavioral.com](http://www.cignabehavioral.com)

**Employer ID: Episcopal**

# Resources Available

- Personnel Audits
- Human Resources Manual

*Above documents available on website under  
human resources*

- *Don't forget to sign up for Finance and Admin  
News*

# *Thanks for coming!*

If you need additional guidance, we are available to assist you.

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