

EMPLOYMENT POLICY

1. At-Will Employment Policy. “At-Will” means employment can be terminated, with or without cause, and with or without notice, at any time at the option of either the Church or the employee. No manager, supervisor, or employee of the Church has any authority to make an agreement for employment for any specified period of time on other than at-will terms. Any agreement that is contrary to at-will employment, such as an agreement for a specified period of time, must be in writing and signed by the Senior Pastor.

2. Equal Opportunity Employment. The Church is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available people in every job. The Church policy prohibits unlawful discrimination based on race, color, sex, marital status, gender, age, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, status as a veteran, or any other consideration made unlawful by federal and state laws and local ordinances applicable to nonprofit religious corporations. Such discrimination is unlawful. This equal employment opportunity policy applies to all persons involved in the operations of the Church and prohibits unlawful discrimination by any employee of the Church, including supervisors and co-workers. The Church is exempt from the Title VII requirements for religious discrimination. We exercise this exemption by employing only those who are part of our church congregation, are aligned with our scriptural principles, and agree to abide by Church’s guidelines and Code of Conduct by signing the Receipt of Employee Guidelines & Acknowledgements.

3. Employee Definition. Employee: Under common-law rules, anyone who performs services for an organization is an employee ***if the employer can control what will be done and how it will be done.*** This is so even when the employee is given freedom of action. The employer has the right to control the details of how the services are performed. Independent Contractor: The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done. The earnings of a person working as an independent contractor are subject to Self-Employment Tax.

4. Type of Employees. Regular employees: Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time. Full-time employees: Regular full-time employees are those who are normally scheduled to work 30 hours or more per week. Following the completion of 30 days of employment, a regular full-time employee is eligible for all of the new employee benefits described in this manual, unless otherwise noted. Part-time employees: Regular Part-time employees are those who are normally scheduled to work less than 30 hours per week on an assigned work schedule. On Call Part-time employees will generally work on an as-needed basis, which may at times be for a short-term assigned work schedule. Following the completion of 30 days of employment, a part-time employee is eligible for some, but not all of the employee benefits as described in this manual, unless otherwise noted. Refer to the Employee Benefits section of this manual for specific benefits that apply to part-time employees. Temporary employees: Temporary

employees are those employed for short-term assignments. Short-term assignments will generally be periods of three months or less; however, such assignments may be extended. A temporary employee does not automatically convert from temporary to another status merely by working beyond the period originally expected or designated. A temporary employee will convert to regular status only by written notice, signed by the _____ of the Department and the HR Committee Representative (Employee Church Representative). Temporary employees are not eligible for the employee benefits described in this manual, except where mandated by applicable law. **Status Change Form:** The change in status of an employee such as hiring, changes in pay, change in position, separation, and any other change is to be recorded and approved using the Status Change Form. The Status Change Form shall be initiated by the employee's Supervisor, approved by the _____ of the Department and approved by the HR Committee Representative (or Employee Church Representative) prior to implementation.

5. Exempt and Non-exempt Employee Classification: *Exempt employees* are paid on a salary basis. An exempt employee does not receive overtime compensation, because the employee is "exempt" from the overtime compensation requirements under state and federal law. They are "exempt" because of their certain job duties and responsibilities, analyzed on a case-by-case basis. An exempt employee's salary is not reduced during partial weeks of work as the result of jury duty, witness duty or military duty. *Non-exempt employees:* A non-exempt employee is paid a salary or hourly wage. As a general rule, these positions are non-supervisory. Non-exempt employees are entitled to overtime compensation as earned by the number of hours that they actually worked and are required to record their time on a timecard. *Classification:* The Church will determine whether an employee is an exempt or non-exempt employee based on criteria established by the State of California.

6. Job Application Process. _____ Church has an on-line job application process consisting of a basic application form along with applicable attachments for positions that interface with children, that may include but is not limited to Background Addendum, Guidelines for Providing a Safe Environment and for Preventing Allegations of Child Abuse and Statement of Understanding Regarding Reporting of Child Abuse). For more details see the _____ Church Application for Employment Form.

As a condition of employment, each prospective new employee must comply with the completion of the Immigration Reform and Control Act of 1986 by completing the Employment Eligibility Verification Form (I-9). Documentation establishing identity and employment eligibility must be presented. Former employees who are rehired must complete the form if they have not completed an I-9 with _____ Church within the past three years, or if their previous I-9 is no longer retained or valid. Employees whose names have changed must also update the form.

7. Employment of Relatives. Relatives of employees may be eligible for employment with the Church if in addition to other conditions and requirements the potential employment meets all the conditions stated in the Nepotism Policy. Nepotism is generally defined as the practice of a

person using personal influence or power to aid or hinder another in an employment setting in securing employment, promotion or other benefits because of a personal relationship. Personal relationships include, but are not limited to, those by virtue of blood, marriage, adoption, or cohabitation.

Each employee is required to read, understand and agree to comply with the separate Nepotism Policy.

8. Job Descriptions. Each position is based upon a job description. The Church reserves the right to alter or change job description, job responsibilities, reassign or transfer job positions, or assign additional job responsibilities from time to time, and at any time, with or without notice. Thus, your job responsibilities and duties may change at any time during your employment at the Church. From time to time, you may be asked to work on special projects or to assist with other work necessary or important to the operation of your department or the Church. Your cooperation and assistance in performing such additional work is expected.

9. New Hires. The first ninety calendar days of continuous employment at the Church is considered the Introductory Period. During this time, you will learn your responsibilities and become acquainted with fellow employees. Also, during the introductory period, your Supervisor will closely monitor your performance. Completion of the introductory period does not entitle an employee to remain employed by the Church for any definite period of time; also, the Church reserves the right to terminate an employee at any time, including the time before the introductory period is complete in accordance with our At-Will Employment policy.

These samples are provided as input to assist you in developing procedures, but are not a substitute for considering the risks at your church and establishing your own policies and procedures to reduce those risks to acceptable levels. Transformation Ministries provides these as a convenience for its churches but directly states to you, the user that Transformation Ministries is not providing these to you as legal advice or even a substitute for legal advice. Use of these samples is at your own risk. Laws change and best practices change, sometimes rapidly. It is your church's responsibility to stay abreast of changes in laws and best practices. It is recommended you always consult with your attorney and/or CPAs part of the process of developing your policies and procedures.