

# Salary and Benefits Policy

Ohio Conference of MC USA

March, 2021

## Introduction

The Salary and Benefits Committee exists to ensure that responsible remuneration policies and procedures are in place, and that equitable remuneration is provided for Conference staff persons.

This Benefit document is not intended for persons hired on a contract basis. A Memo of Understanding will be agreed upon to determine the terms of those services being contracted.

### A. SALARY ADMINISTRATION

All staff persons normally have wages set under one of two systems. Pastoral staff (licensed/ordained) compensation is determined according to the MC USA denominational guidelines. All other staff compensation is determined by the Non-Pastoral Staff Salary System adopted by Conference Council in 1994. The annual salary increases for both groups of employees will follow the recommended rate as determined by MC USA.

These two systems are administered annually by a Salary & Benefits Committee consisting of a representative of the Leadership Team, Stewardship Ministry Team and two at-large members.

All staff are encouraged to consult with an accountant to ensure that salary and benefit details are in accordance with current IRS guidelines.

### B. MEMO OF UNDERSTANDING

A memo of understanding shall be reviewed with the staff member each year for the upcoming fiscal year, April 1 through March 31. This review shall occur prior to the beginning of the fiscal year by a representative of the Salary and Benefits Committee.

### C. TERMINATION OF EMPLOYMENT/MINISTRY

Employment can be terminated by written notice of the Conference Staff Person to the Moderator or by action of the Leadership Team; either party giving notice of three months to the other party for pastoral staff and notice of 30 days by either party for non-pastoral staff.

## Benefits

Staff persons whose normal work schedule is one-half time (20 hours per week) or more are eligible to receive the benefits documented below. The Conference will pay the mandated employer portion of the social security and Medicare tax for all non-pastoral staff members regardless of the number of hours employed. For Pastoral staff, the conference will pay one-half of the employee's self-employment tax.

### A. MEDICAL INSURANCE

Medical insurance is currently provided through the Corinthian Health Care Plan endorsed by the Conference and is offered as follows:

Full time staff are eligible to receive at no cost a policy covering the employee OR a policy covering the employee and his/her dependents (family plan).

Pastoral Staff employed one-half time or more and Non-Pastoral Staff working 30 hours or more per week, the Conference offers the following options:

- A policy covering the employee only at no cost to the staff person **OR**
- A policy covering the employee and dependents with the Conference paying one half of the premium.

Upon reaching 65 years of age, staff with 5 years or more of employment with the Conference may elect to receive additional compensation for associated premium costs of Senior Health care plans in lieu of continuing on the Corinthian Health plan. Considerations for spouses follows:

- Spouses of full-time staff who are not yet eligible for Medicare and who are enrolled in a Corinthian Health Care policy, may continue with Corinthian Health Care with the Conference paying one half of the premium.
- Spouses of part time staff who are not yet eligible for Medicare and who are enrolled in a Corinthian Health Care policy, may continue his/her eligibility in the Corinthian Health Care plan with the enrollee responsible for the full premium.
- Spousal health policy plans through the Conference end at age 65.

### B. RETIREMENT

An amount based on a percentage of the staff person's annual salary will be invested in Mennonite Retirement Trust in the name of the staff person. The percentage amount for active employees is determined by the Salary & Benefits Committee and will be specified in the yearly memo of understanding. Setting of this amount is done in accordance with IRS guidelines to ensure equitable percentages for licensed/ordained and non-pastoral staff. Staff persons are eligible for this benefit upon achieving age 21 and completion of one year's service in the Conference or Mennonite Church.

In addition to the above, persons have the option for having a certain percentage of their salary withheld and paid into a TDA (Tax Deferred Annuity), or persons can purchase IRA (Individual Retirement Account) annuities in keeping with government regulations. The Conference Finance Coordinator can give information on these two plans.

#### C. LIFE INSURANCE

Pastoral Staff working 20 hours or more per week will receive life insurance coverage equal to their annual salary, up to \$75,000 maximum. Similar coverage for Non-pastoral staff working 30 hours or more per week will receive this benefit as per Corinthian plan policy.

#### D. Long Term Disability

Long term disability insurance is available for staff with benefits beginning after a 180-day period of continuous disability. The benefit amount will be equal to two-thirds of the staff person's salary. As per Corinthian plan policy, eligibility for pastoral staff is working 20 hours or more per week and 30 hours or more per week for non-pastoral staff.

#### E. SICK LEAVE

Staff persons will receive one sick day per month. The day is defined by the percentage of time a person is employed (i.e., .5 FTE employees will receive one-half of a full day). Sick days may accumulate up to a maximum of 130 days. Unused sick days will not be paid to employees when they leave the employment of the Conference, but will be retained and available if the person returns to employment with the Conference. Sick pay records for staff will be maintained by the Administrative Secretary, in communication with the Financial Coordinator.

#### F. VACATIONS & HOLIDAYS

Staff persons will accumulate vacation pay according to the following schedule and proportionate to the staff FTE.

Beginning of employment through year four: .834 vacation days earned per month

Years five through eleven: 1.25 vacation days earned per month

Years twelve and above: 1.67 vacation days earned per month

Time counted as previous experience in computing salaries will apply to experience credit for the amount of vacation.

Vacations are for the welfare of the person. It is recommended that most of the vacation time be taken in blocks of at least a week, rather than a day or two, in order to give the person ample rest

and change. Vacation day records will be maintained by the Administrative Secretary, upon approval of the Conference Minister.

Vacation time should be taken during the actual fiscal year. However, a person may carry up to two weeks of vacation time into another year for a longer combined vacation, if there are sufficient reasons for that and if properly cleared with the Conference Minister and/or the Leadership Team.

Staff will be eligible to receive holiday pay for the following 8 holidays and proportionate to their FTE:

New Year's Day	Good Friday	Memorial Day	Independence Day
Labor Day	Thanksgiving Day	Christmas Eve Day	Christmas Day

#### G. CONTINUING EDUCATION

Staff persons are encouraged to participate in some type of continuing education each year. Consultation and approval for financial assistance is secured from one's supervisor. Up to \$300 is available for continuing education and additional requests will be reviewed and approved as appropriate by Conference Leadership.

#### H. HEALTH SAVINGS ACCOUNT CONTRIBUTION

The Conference may make contributions to a Health Savings Account (H.S.A.) as determined by the Salary and Benefits Committee based on Corinthian Plan guidelines.

### **Other Time Away**

#### A. BEREAVEMENT PAY

Staff are eligible to receive up to three days, proportionate to their FTE, of bereavement pay for a death in the immediate family. The immediate family is defined as father, mother, spouse, brother, sister, child (including grand and great), foster child, grandparent. This includes "in-law" and "step" where applicable, as well as members of the immediate household who regularly live with the family.

#### B. JURY DUTY

The Conference will pay for time served during regular hours as a juror or for time expended being excused as a juror. Salary will be based upon terms listed in the memo of understanding. Any compensation received from the Court shall be forwarded to the Finance Coordinator.

#### C. EMERGENCY LEAVE WITHOUT PAY

Occasionally situations may arise where a staff person needs to request a temporary unpaid leave of absence from his/her job duties, with the right of reinstatement. Should this occur, the staff person will notify the Conference Minister to initiate the approval process. Unpaid leaves of absence must be approved by the Conference Minister and/or the Leadership Team. Benefits will be continued for leaves of absence of less than one month of duration, but normally will not be funded by the Conference if the leave exceeds one month.

## **Business Expenses**

### **A. TRAVEL**

Travel expenses incurred in the normal pursuit of duties will be reimbursed by the Conference. These expenses include mileage reimbursement when using one's personal vehicle, toll fees, parking fees, taxi cost, hotel cost, and other. Mileage will be reimbursed at the current IRS mileage rate.

### **B. OFFICE EXPENSE**

Where an office is provided by the Conference, adequate office furniture, fixtures, computer(s), communication devices and other required equipment will be made available. In addition, the Conference will provide the necessary office supplies and secretarial assistance.

Where an office is located in the home, the Conference will reimburse for any out-of-pocket office supplies and postage used in conjunction with Conference activities.

## **Pastoral Staff Items**

### **A. HOUSING ALLOWANCE**

Pastoral staff will be given the opportunity to designate a portion of their compensation as a Housing Allowance per IRS regulations.

### **B. PROFESSIONAL EXPENSES**

Pastoral staff will be eligible for up to \$200 per contract year for professional materials such as books, periodicals, etc. Expenses exceeding \$200 require prior Leadership Team approval.

### **C. SABBATICAL LEAVE**

Pastoral staff persons are eligible to apply for sabbatical leaves. Sabbaticals are to encourage opportunities for personal growth, growth in ministry and for enhancement of professional skills. For each year of completed service to the conference (other than the year in which a sabbatical leave is

received), one month of sabbatical leave may be granted, not to be used until the fourth year of ministry with the conference, with subsequent sabbatical leaves during the eighth and twelfth, etc., years of ministry. Sabbatical leave time may be considered after every four-year period of service, although it may need to be earlier or later to avoid several simultaneous leaves. In order to cover staff position duties during a leave, it may be preferable to keep them to no longer than three months. During the sabbatical, the staff person will receive full salary and benefits as exist in the then current Memo of Understanding. However, during the year of a sabbatical leave, half of the vacation days allowed will be granted. Sabbatical plans, submitted by the staff person shall be approved by the Leadership Team. Following a sabbatical, the pastor agrees to provide a minimum of one year of service to the conference or repay the sabbatical stipend.

The Leadership Team is responsible to oversee the sabbatical program, in consultation with the Conference Minister. Procedures for engaging in a sabbatical leave include:

1. Submission of a written proposal at least four months in advance with specifics of activities and how the experience will enable better performance/ministry and thus benefit the Conference.
2. Interview with the Leadership Team
3. Approval of the proposed sabbatical or modification to assure that the time is enriching and productive,
4. Written report and evaluation by the staff person (submitted to the Conference Minister and the Leadership Team.
5. Oral debriefing by the Leadership Team

#### D. HONORARIA

Honoraria received from congregations in the pursuit of normal duties, as a staff person, shall be forwarded to the Finance Coordinator.

#### E. CONFERENCE VEHICLES

Ohio Conference may provide a vehicle for the Conference Minister and Regional Pastors with the understanding that Conference will pay the fuel, maintenance costs and all operating expenses (including insurance and license fees) for Conference work. Conference provided vehicles may be utilized for personal use. All such personal use of the vehicle must be documented and reported to the Ohio Conference office. Personal use will be considered as taxable income with the amount determined utilizing the IRS suggested mileage rate and included on the employee's W-2 form.

#### F. ROADSIDE TRAVEL SERVICE

Conference Pastoral Staff are eligible for **basic** roadside travel service through AAA, to be paid for by Conference.