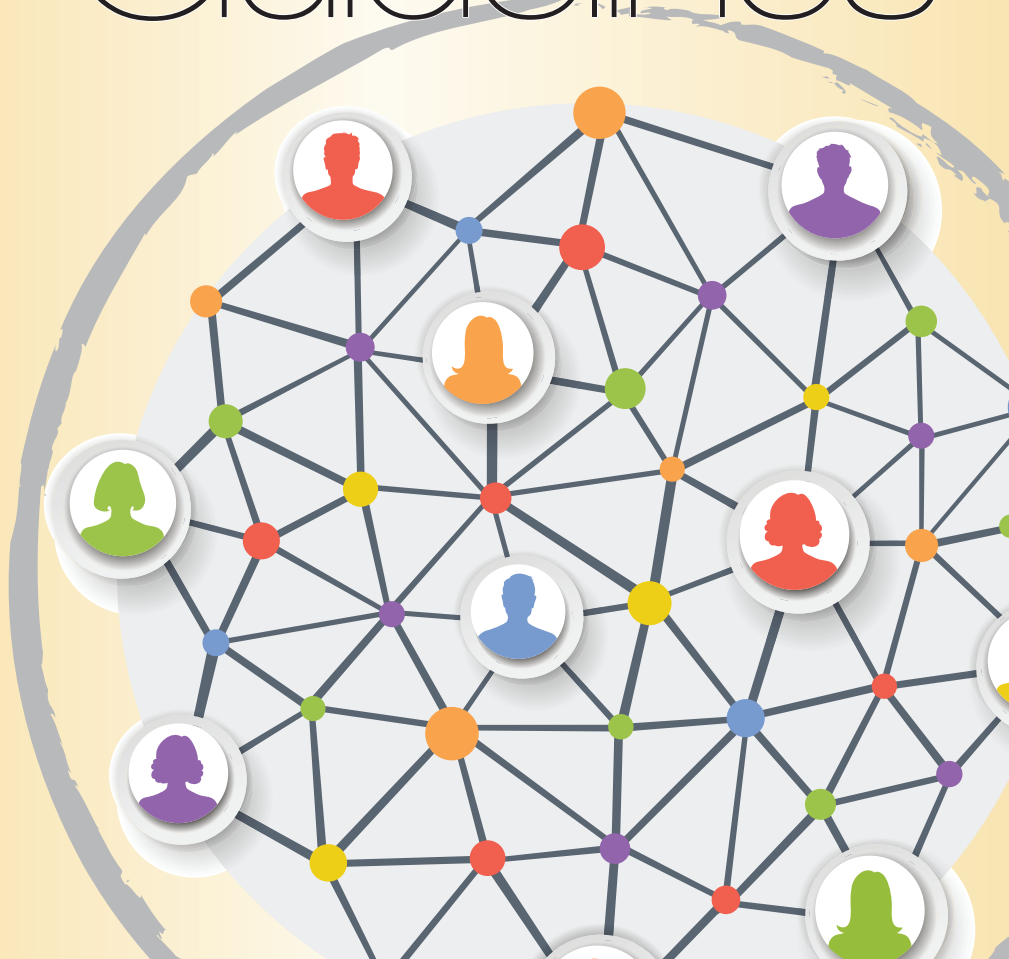


Employment Guidelines



ANAMAD/ISTOCK/THINKSTOCK



Northern California Conference
HUMAN RESOURCES
Connections With A Purpose

Winter, 2015-2016

Disclaimer: Employment practices and laws are continually changing. Please check the website for updates at www.nccsda.com/employmentguidelines.



Table of Contents

Introduction. 5

Section One: Definitions and Basics 9

1. Volunteers, Contractors, and Employees 9

2. Employee Status Definitions 10

3. Work Schedules 12

4. Work Environment Expectations 12

5. Mixing Employment and Volunteering. 13

6. Working For More Than One Entity. 13

7. Employee Training 13

8. Volunteers 14

9. Employee Orientation and Other Meetings 14

10. Holidays. 14

Section Two: Timekeeping and Pay. 17

1. Timekeeping 17

2. Meal and Rest Breaks 17

3. Minimum Wages and Exempt Employees. 18

4. Stipends. 18

5. Paychecks Are Protected 18

6. Payments to Volunteers	19
7. Honoraria	20
8. What the Local Entity Pays	20
Section Three: Paperwork and Procedures	23
1. Job Descriptions and Wage Scales	23
2. Employment Paperwork	24
3. Personnel Action Request Forms	24
4. Background Checks	25
5. Medical Clearance	25
Section Four: Types of Employees	27
1. Bible Workers and Other Ministerial Employees	27
2. Musicians	27
3. Student Employees	28
4. Task Force Volunteers	28
Child Labor Law Guidelines	29
Benefits Chart	30
Section Five: Benefits	31
1. Who Gets What Benefits?	31
2. Vacation and Sick Leave for Nonexempt Employees	31
3. Short-term and Long-term Disability	33
4. Retirement	34
5. Healthcare	34
6. Tuition Assistance	34
7. Leaves	35
8. Unemployment Insurance, State Disability Insurance, and Paid Family Leave	35
9. Jury Duty	35
<i>Appendix A: Steps For Employing An Individual</i>	<i>36</i>
<i>Appendix B: Guidelines for Interviewing Candidates</i>	<i>36</i>
<i>Appendix C: Sample Forms</i>	<i>39</i>
<i>Appendix D: Employee or Independent Contractor?</i>	
<i>How To Tell the Difference and Why It Matters</i>	<i>40</i>
<i>Appendix E: IRS Guidelines For Independent Contractor Status</i>	<i>41</i>
<i>Appendix F: How to Make a Written Job Description</i>	<i>43</i>

Northern California Conference of Seventh-day Adventists

Human Resources Department

401 Taylor Boulevard • P. O. Box 23165 • Pleasant Hill, CA 94523

(925) 603-5045 • hr@nccsda.com • Fax: (888) 609-3904

www.nccsda.com/humanresources



Introduction

In order to accomplish the mission of the Church, employees are hired to perform a variety of services. There are two ways that people are employed in the Seventh-day Adventist Church: some are supervised and paid by the Conference and others are supervised and funded by local entities. Schools, churches, and other ministries of the Conference have administrative assistants, janitors, groundskeepers, camp counselors, and many other employees. However, legally all these are employees of the Conference because the Conference is the legal entity of the Church. Therefore, the state and federal government agencies turn to the Conference to ensure compliance with all the various laws that govern employment.

There are two ways that people are employed in the Seventh-day Adventist Church: some are supervised and paid by the Conference and others are supervised and funded by local entities.

The various government agencies that oversee employment practices are now focused on churches and other religious organizations with regard to compliance. There are renewed enforcement efforts to make sure that we comply with all the labor practices required by law. These government agencies can and have enforced penalties on religious organizations that are sometimes quite severe.

Our goal at the Northern California Conference Human Resources Department is to help you — as one of our churches, schools, or other local entities — avoid negative consequences and preserve the effectiveness of your ministry. This manual will help you work with us to employ people to accomplish the mission of the

Northern California Conference. We realize that you cannot manage all the legal requirements on your own. We want to partner with you so that we can all work together in serving the mission of the Church.

This is not a policy manual, but it does contain many statements of policy of the Conference and the Church at large. There are employment policies of the Northern California Conference and the North American Division that are not listed

here. This handbook also references legal requirements, but is not to be considered a legal reference. Laws change regularly so the information contained here is only designed to help you know about some of the important issues and help you negotiate your way through the employment process. As always, please contact the Human Resources Department with any questions or to discuss any issues. We can be reached at:



Northern California Conference of Seventh-day Adventists Human Resources Department



*401 Taylor Boulevard
P. O. Box 23165
Pleasant Hill, CA 94523
(925) 603-5045
Fax: (888) 609-3904*

***hr@nccsda.com
www.nccsda.com/humanresources***



TEAM



SECTION ONE

Definitions and Basics

1. Volunteers, Contractors, and Employees

Government agencies only recognize three kinds of people who do work: Volunteers, Contractors, and Employees. Volunteers are only allowed to work for non-profit organizations or government agencies. They can receive no benefit for the services they perform. There are some payments that can be made to volunteers (and those are covered later on in these guidelines). However, a person cannot volunteer in exchange for anything. A person may not “trade”

Volunteers are only allowed to work for non-profit organizations or government agencies. They can receive no benefit for the services they perform.

volunteer service for help with tuition, reduction of debt, lodging, food, or anything else. Any such

exchange is considered wages and makes that person an employee and, therefore, subject to all wage and hour laws.

Treating a person as an independent contractor is to treat them as a business instead of a person. The definition of who can be treated as a contractor is strictly regulated. There are many criteria that must be met. Usually, a contractor must have a license to do business and carry his or her own liability insurance and workers’ compensation insurance. Contractors usually must have many clients or customers, use their own equipment, and decide, without direction, how to accomplish the job. Since there are legal liabilities, contracts must be reviewed by the Risk Management Department. Employees and volunteers should not sign contracts unless instructed to do so by Northern California Conference Administration or the Risk Management Department.

2. Employee Status Definitions

Full-Time: The Northern California Conference has voted that 38 hours per week constitutes full-time employment. All employees who work for any NCC entity are full-time if they are scheduled to work 38 hours or more. Overtime rules still do not come into effect until the 40 hours specified by law. Don't confuse full-time status and a workweek schedule. A person can be scheduled to work 40 hours and not incur overtime.

Part-Time: Any person scheduled to work fewer than 38 hours per week is, by definition, part-time, regardless of how many hours he/she actually works. Part-time employees who work full-time hours should be counseled by their supervisor and are subject to disciplinary action. In addition, the government has penalized companies who schedule people to work less than full-time but close to full-time. We continue to ask that employees be scheduled to work fewer than 28 hours per week if they are to be classified as part-time.

However, because of the requirements and definitions

created by the implementation of the Affordable Care Act, no employee should be scheduled to work between 28-30 hours per week. There are specific rules regarding how working 28 hours or more could impact medical coverage. Please contact the Human Resources Department to

see how these rules might affect the employees at your location.

Part-time employees fall into two different classifications:

"half-time plus" are people who are scheduled to work 19 hours or more per week and "half-time minus" are people who are scheduled to work fewer than 19 hours per week. This distinction is primarily to do with benefits.

It should be noted that the full-time/part-time status is based upon the number of hours a person is scheduled to work and not the actual hours worked. For example, a person who is scheduled to work full-time, but for a short period of time does not have enough hours, does not change status. If the actual hours worked become a pattern different than the schedule, the employing entity should change the status

It should be noted that the full-time/part-time status is based upon the number of hours a person is scheduled to work and not the actual hours worked.

and notify the Human Resources Department via the Personnel Action Request Form.

Regular: All employees should be considered regular status unless you know for certain that they will not continue for more than 90 days.

Temporary: Under the definitions of the Affordable Care Act, temporary must be fewer than 90 days, except under some circumstances where it may be up to 120 days. An ending date for employment is required for all temporary workers. A person hired as temporary will automatically be transitioned to regular status if he/she continues to work after the legal temporary time period. Examples of temporary employees are Bible workers that are hired for an evangelistic series, summer camp counselors, substitute teachers, student workers, etc.

If a person is hired by different entities consecutively, he/she can also become regular status. For example, a Bible worker hired to do evangelism for four months and then hired by another local

church will become regular status.

Nonexempt and Exempt: Employees normally fall into two categories: nonexempt and exempt. All employees are nonexempt unless they meet certain legal requirements. A nonexempt person must abide by all wage and hour laws. He/she is paid an hourly wage and must track all hours worked. The law restricts the hours and activities of nonexempt employees. An exempt employee does not have to abide

Employees normally fall into two categories: nonexempt and exempt.



WARREN GOLDSMAN/STOCK THINKSTOCK

by all the wage and hour laws. He/she is paid a salary and does not track his/her hours nor are those hours restricted by law. There are strict rules to be exempt, and the Human Resources Department will assist you in determining if a position qualifies to be exempt.

3. Work Schedules

For the Northern California Conference, the workweek begins at 12:01 a.m. on Sunday and ends at midnight on Saturday. A workday begins at 12:01 a.m. each day and ends at midnight of the same day. By law, hourly employees work five eight-hour shifts unless an alternative work schedule is established. Establishing an alternative work schedule



CLSGRAPHICS/ISTOCK/THINKSTOCK

For the Northern California Conference, the workweek begins at 12:01 a.m. on Sunday and ends at midnight on Saturday.

requires a legal process including: employee informational meetings, employee balloting, filing a request with the State of California, etc. If your entity desires an alternative work schedule, please contact the Human Resources Department, and we will assist you in meeting the requirements and help you with the application process.

Just to clarify, there can be different shifts within a work schedule that do not require approval. For example, one set of employees can work five days per week from 8 a.m. until 4:30 p.m. with a 30-minute lunch break, while other employees can work five days per week from 9 a.m. until 5:30 p.m. with a 30-minute lunch break. But if you desire to have employees work four 9½ hour days per week, you must contact the Human Resources Department for assistance.

4. Work Environment Expectations

It is the expectation that all Northern California Conference schools, churches, and other ministries will maintain the standards of the Seventh-day Adventist Church. That includes having a drug, alcohol, and tobacco free work environment. Employees who violate any of the standards of the Seventh-day

Adventist Church, as outlined in the *Seventh-day Adventist Church Manual*, may be subject to discipline including possible termination.

5. Mixing Employment and Volunteering

There are Federal and State Laws preventing a person from volunteering to do a job that he/she is paid to do by the same organization. Therefore, a church secretary cannot put in 20 hours in a week that are paid and then volunteer to be church secretary for another 10 (not even at a different church in the Northern California Conference). An employee can volunteer to perform a different duty than the one he/she is paid to do. For example, a paid teacher can volunteer to be church clerk. Or a church secretary can volunteer to be treasurer.

6. Working For More Than One Entity

Employees may find themselves working for more than one Northern California Conference entity or even having more than one job for the same entity. There is no problem with that; however, there is still only one employer, namely the Northern California Conference.

What that means is that the combined work for all entities determines work rules such as overtime, rest and meal breaks, etc. All hours must be tracked and reported. Pay and benefits are determined on the entire number of hours and not independently.

Because of the unique situation of exempt or salaried employees, full-time exempt employees cannot “moonlight” for another Northern California Conference entity. For example, a full-time teacher cannot be paid to be the church treasurer. Or a full-time pastor cannot be paid to substitute teach at a school. An employee can volunteer, but only under the conditions previously described.

7. Employee Training

Various laws require training for certain employees. For instance, all supervisors must have approved anti-harassment training every other year, and all janitors must have approved safety training, etc. The Northern California Conference will work to make sure that all employees get the training required. The cost of that training will be billed to the entity responsible for funding the employee.

8. Volunteers

The Church would not exist without the many hours of volunteer service provided by its members and friends. However, there are some issues to remember.

It is recommended that volunteers fill out the Volunteer Service Agreement available at the Human Resources section of the Conference website (www.nccsda.com/volunteers). This can be helpful if a person later claims that he/she was an employee and not a volunteer. It is also a good idea to have volunteers track the time that they volunteer. This can be useful to them sometimes for tax purposes, but it also can be used to prove you were not providing any compensation. For instance, if the IRS was to claim that worthy student aid was tied to volunteerism, a record showing that some people volunteered and received no aid and that the amount of volunteering was not tied to the amount of student aid could be helpful.

9. Employee Orientation and Other Meetings

Certain employees will be required to attend employee orientation meetings held at the Northern California Conference Office. From time to time there may be other required meetings. Any expenses for an employee to attend required meetings will be the responsibility of the funding entity.

10. Holidays

The Northern California Conference has designated the following holidays for its employees. These apply to all employees, no matter what church, school, or ministry they serve. In addition, a nonexempt employee's birthday is also granted as a holiday.

*New Year's Day
Martin Luther King, Jr. Day
Presidents' Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day*



THINKSTOCK/STOCKBYTE/THINKSTOCK



ANNA OMELCHENKO/STOCK/THINKSTOCK



Digital Vision/PHOTODISC/THINKSTOCK



SECTION TWO

Timekeeping and Pay

1. Timekeeping

All hourly employees must keep accurate records of hours worked. The Northern California Conference is working to institute an electronic timekeeping system for all hourly employees. More

All hourly employees must keep accurate records of hours worked.

information on that will be forthcoming. Until that system is available, there are Northern California Conference time sheets

available on the Conference website (www.nccsda.com/timesheets) for use in keeping track of employees' time. Please use these to report to payroll, according to the schedule published on the Northern California Conference website. Contact the Treasury Department if you have questions about timekeeping.

2. Meal and Rest Breaks

You must give nonexempt employees an opportunity to take a 10-minute paid rest break for every four hours worked, or major fraction thereof. You may not employ an employee for a work period of more than five hours per day without providing him/her with a 30-minute unpaid meal break. Employees whose shift is less than six hours do not need to be given a meal break. While you do not need to ensure that the breaks are taken, you must make certain that nothing hinders the employee from taking the break. Employees who voluntarily work through a meal break must still be paid. The timing of the breaks is important.

If one or more rest breaks are not given, you owe the employee one hour of pay. You also owe the employee one hour of pay if the employee is unable to take a meal break. The additional pay for a missed meal or rest break must be included in the employee's next paycheck.

3. Minimum Wages and Exempt Employees

Federal, state, and local minimum wage requirements apply to churches and religious organizations. All employees hired must be paid according to those minimum wage requirements.

California has some special rules. The result is that any person who would normally be exempt but earns less than twice minimum wage must be treated as hourly.

This means they must report hours worked, and they must be compensated for overtime, etc.

4. Stipends

Often the word “stipend” is used to mean a minimal amount paid to someone. The State of California is particularly negative about the use of that word. To the California Industrial Welfare Commission, Division of Labor Standards Enforcement, the word “stipend” means “illegal wage.” California considers payment to someone

a wage unless that payment meets the requirements that are listed in the section “Payments To Volunteers” (on the next page).

5. Paychecks Are Protected

California law is very strict about paychecks. It is very



BAMANA/Stock/Thinkstock

Federal and state minimum wage requirements apply to churches and religious organizations.

important that nothing be done to hinder a person's pay. The law strictly dictates the timing of pay, so you must ensure that your employees get their paperwork and timecards in by the dates established. There are severe penalties if we don't meet the legal deadlines.

In addition, paychecks must be delivered in a manner specified by law. In most cases you cannot require an employee to “sign over” his/her paycheck or any portion thereof. For more information,

please contact the Human Resources Department.

6. Payments to Volunteers

Volunteers, by law, can receive no compensation for their work. As soon as volunteers are given any “pay,” they become employees and are subject to all wage and hour laws. You can reimburse a volunteer for actual outlays of money, mileage, and — in some cases — a per diem and/or an honorarium. You can provide lodging and food for volunteers while they are actively volunteering. However, there are limitations, so please check with the Human Resources Department if you are planning to provide either of these for your volunteers.

Volunteers can be reimbursed for actual purchases they make related to their service as volunteers. Those reimbursements are made when the volunteer presents a receipt for the actual amount of the purchase.

This is not reported to the Internal Revenue Service.

Mileage can be paid at a rate no greater than the maximum Internal Revenue Service mileage

rate, but the volunteer must report actual miles driven. Mileage cannot be paid to a volunteer as a flat amount. In addition, only the Internal Revenue Service volunteer rate is deductible from a person’s taxes, so the difference between the volunteer rate and the rate paid up to the maximum mileage rate is taxable income to the volunteer.

Per diem payments can be made to a volunteer, but only for times when the volunteer is not staying at home. If a volunteer is asked to attend an event or serve at a location that requires staying overnight away from his/her residence, a per diem can be paid up to the rate paid by the Conference to employees. Payments reimbursing the volunteer for lodging expenses that are supported by a hotel bill showing the services listed are

Volunteers, by law, can receive no compensation for their work. As soon as volunteers are given any “pay,” they become employees and are subject to all wage and hour laws.

not treated as taxable income by the Conference since they are a direct reimbursement of an actual purchase.

Volunteers cannot be paid a “stipend” or any type of regular pay. If a volunteer does a one-time service, he/she may be eligible for an honorarium. An

honorarium is only for a one-time service and should be a minimal amount. Requests for all honoraria over \$300 must be submitted to a Conference Administrator (President, Treasurer, or Executive Secretary) for approval prior to payment. An honorarium over \$500 needs the Administrative Committee's approval. Honoraria are taxable income to the recipient.

All payments made to volunteers, other than direct reimbursements for actual purchases, need to be reported to the Internal Revenue Service on Form 1099. Because of this reporting requirement, Treasury must have a Form W-9 on file from all volunteers.

7. Honoraria

The payment of an honorarium is treated differently when it is paid to an employee than to a volunteer. For an employee,

an honorarium is a bonus. It is important that all payments to employees, other than direct reimbursement, be run through payroll. There are possible tax implications for all payments to employees other than direct reimbursement. For payment of honoraria to volunteers see the previous section, "Payments to Volunteers."

8. What the Local Entity Pays

Employees cost money. When a local entity chooses to hire an employee, all the associated costs are the responsibility of the local entity. Employee costs include payroll taxes, workers' compensation insurance, benefits (including retirement), etc. Those costs are billed each month and are to be paid on time. Failure to keep the billing paid up-to-date may result in termination of the employee(s).

Employees cost money. When a local entity chooses to hire an employee, all the associated costs are the responsibility of the local entity.





SECTION THREE

Paperwork and Procedures

1. Job Descriptions and Wage Scales

Written job descriptions are now a legal requirement. Not only are they mandated, but they must also meet certain requirements. In order to help with the creation of proper job descriptions, the Northern California Conference has created a process to make this happen. Sample job descriptions are available online at the Human Resources Department section of the Conference website (www.nccsda.com/jobdescriptions). You should be able to find one that comes close to the job for which you need a description. Read the sample, delete what does not apply, add what might not already be there, and then submit the description to the Human Resources Department for review. Once it has been approved, a wage scale will be assigned to it.

Written job descriptions are now a legal requirement. Not only are they required, but they must also meet certain requirements.

Since all employees are considered employees of the Conference, local schools, churches, and other entities can no longer set their own wage scales. Wages must be consistent, by law, among people of the same class. The government defines employees of the same class as those with the same or similar job descriptions who work for the same employer. This is designed to prevent discrimination.

In addition, wage scales are to reflect community wages. The North American Division has a wage scale system. The Northern California Conference follows the North American Division wage scale system to determine the wage scale for locally funded employees. Factors that are included in the wage scale are the cost of living in a particular area, the job description, and the education/experience of the employee.

A wage scale booklet is available so you can determine a wage scale for a particular job at your particular entity. Each wage scale allows you to place employees at the appropriate step, depending on education and experience.

2. Employment Paperwork

The Human Resources Department has worked hard to streamline the paperwork for employment, and we continue to do so. However, there are many legal requirements that must be met. Failure to meet certain requirements can result in severe penalties for the responsible entity. Please help us avoid the negative consequences by making sure all paperwork is complete and you have received clearance from the Human Resources Department **before any work begins**. This is vital.

The Human Resources Department section of the Conference website (www.nccsda.com/employment) contains the latest employment forms, including the government forms. Remember: even the forms that are not from a government agency ask for

information we are required to report to the government, so please fill out all forms completely and in their entirety. We have organized the forms in packets so they can be downloaded all at once. We have also made them available as fillable PDFs to make completing them as easy as possible.

As always, contact the Human Resources Department, and we will do our best to help you with this process.

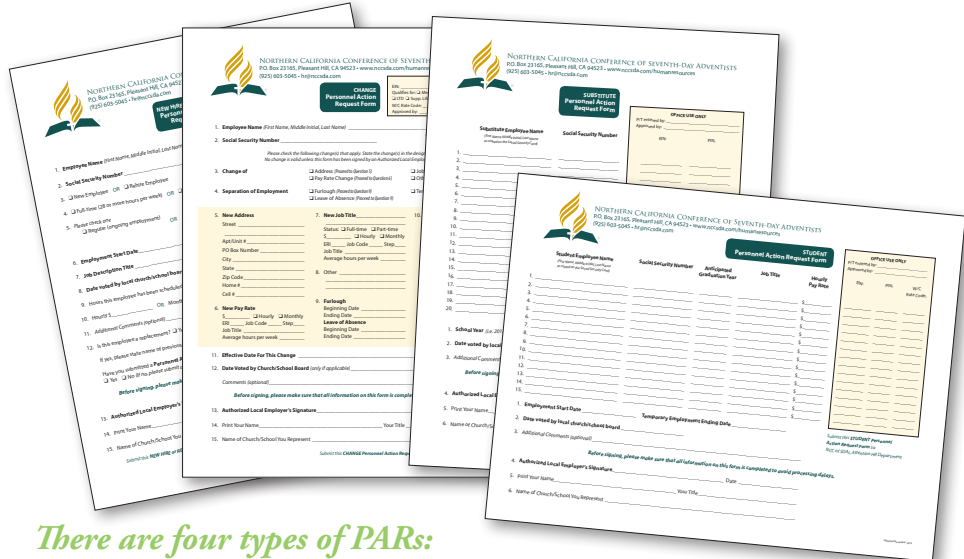
3. Personnel Action Request Forms

One of the most important pieces of paperwork required is the Personnel Action Request (PAR) form. To begin employment, to end employment, or to change any status requires a PAR. Without a properly filled-out PAR, we must continue the employee at his/her previous status. Because

of legal aspects, the Northern California Conference requires that the appropriate supervising employee sign the PAR.

- There are four types of PARs:
1. New or Rehire,
 2. Change,
 3. Substitute Teacher, and
 4. Student, which are found online

Please help us avoid the negative consequences by making sure all paperwork is complete and you have received clearance from the Human Resources Department before any work begins. This is vital.



*There are four types of PARs:
1. New or Rehire, 2. Change, 3. Substitute Teacher,
and 4. Student, which are found online at www.nccsda.com/par.*

at www.nccsda.com/par. A New or Rehire PAR is used when a new employee is hired or a former employee returns to work after ending employment. The Change PAR is used to report any changes to an employee, such as a change of address, a change in the rate of pay, a separation of employment (**must be approved by the Human Resources Department**), etc. The Substitute Teacher PAR and the Student PAR allow schools to rehire multiple substitute teachers or students on one form rather than having to complete separate forms for each employee.

4. Background Checks

School employees and volunteers must have background

checks. In addition, certain church volunteers must also have background checks. For school employees and volunteers, contact the Education Department for more information. For Pathfinder and Adventurer Club volunteer requirements, contact the Youth Department. The Risk Management Department can give you more information regarding background checks for other volunteers.

5. Medical Clearance

Certain school employees must have medical check-ups and/or clearance before they can begin work. Contact the Education Department for information about who needs what type of clearance.



HOLY BIBLE

SECTION FOUR

Types of Employees

1. Bible Workers and Other Ministerial Employees

There are special rules for a very limited group of Church employees. Due to the Federal Doctrine of “Ministerial Exception,” some employees are exempted from many laws, including wage and hour restrictions, the Americans with Disabilities Act, etc. Bible workers, youth pastors, and some musicians fall into this group and have special treatment. This “exception” only applies to a very limited group of people, so contact the Human Resources Department for information. The Northern California Conference still believes these employees should be treated fairly, and so a wage scale has been created for locally funded Bible instructors/workers and pastors. Less than full-time salaries can be pro-rated based upon the full-time percentage.

Musicians are unique in employment law.

2. Musicians

Musicians are unique in employment law. Until a couple of years ago, all musicians could be treated as private contractors. However, the Department of Labor has now declared that all musicians are hourly employees unless they meet certain requirements. Only those musicians who come for a one-time event, like a concert, can be treated as contractors.

However, musicians who are part of a worship service can be covered by the “ministerial exception” previously mentioned. Those who play instruments as part of the worship service, or who lead the congregational worship service, or who direct the choir for the worship service can be treated as exempt and paid a salary.

Any musician that provides regular music services outside of the worship service, such as teaching music lessons, must be treated as an hourly employee under the law.

3. Student Employees

There are very strict rules regarding student labor in California. Please contact the Human Resources Department for details when hiring people younger than 18. *The chart on the right summarizes what young people can do.*

It is important to note that “school in session” is defined as the scheduled school days of the public school system in the district where the student resides. The law code where this definition resides specifically notes that this means that private school students may not work during their school’s vacation time if the public school is in session. It also notes that in areas where the public schools are year-round, the in-session rule applies year-round.

There is currently no Work Experience Education (WEE) program for Seventh-day Adventist schools. The North American Division is working on getting one approved by the Department

of Labor. Until we get word of an approved Work Experience Education program, no exemption for that exists.

There are additional restrictions on what specific jobs are appropriate based upon age. They are too numerous to list here. Contact the Human Resources Department prior to employing any students so we can determine if the job is appropriate.

4. Task Force Volunteers

The North American Division Task Force Volunteers are, by definition, volunteers. Therefore, all the provisions of the section on volunteers apply. Please remember that you cannot pay a “stipend.” Only if the Task Force Worker is living away from his/her home can he/she be paid a “per diem.” There is a special one-page set of instructions for Task Force Volunteers on the Human Resources Department section of the Conference website (look under the Extra Connections tab).

School in Session

Ages 12 & 13

Essentially
cannot work

Ages 14 & 15

3 hours per school day
outside school hours

8 hours on any
non-school day

18 hours per week

Ages 16 & 17

4 hours on school days

8 hours on any non-school
day or any day preceding a
non-school day

48 hours per week

School Not in Session

Ages 12 & 13

Essentially
cannot work

Ages 14 & 15

8 hours per day

40 hours per week

Ages 16 & 17

8 hours per day

48 hours per week

Spread of Hours

Ages 12 & 13

Essentially
cannot work

Ages 14 & 15

7 a.m. to 7 p.m.
(until 9 p.m. from
June 1 to Labor Day)

Ages 16 & 17

5 a.m. to 10 p.m.
(until 12:30 a.m. on
any evening preceding a
non-school day)



Benefits

Less than
Half-time
up to 18 hours

Half-time
or More
19-27 hours

Full-time
38 hours

THOMAS NEMEC/GETTY IMAGES



MONKEYBUSINESS/ISTOCK/THINISTOCK

Basic Group Life	No	No	Yes
Health Care	No	30 hours/week	Yes
Jury Duty	No	Yes	Yes
Retirement Basic and Matching	No	Yes	Yes
Retirement Voluntary Contributions	Yes	Yes	Yes
Sick Leave	Yes*	Yes	Yes
Tuition Assistance	No	No	Only for Exempt
Vacation	No	Yes	Yes
Workers' Compensation	Yes	Yes	Yes

Supplemental Benefits

ASSURANT

Accident Insurance**	No	Purchase	Purchase
Accidental Death and Dismemberment Insurance**	No	Purchase	Purchase
Cancer Insurance**	No	Purchase	Purchase
Critical Illness Insurance**	No	Purchase	Purchase
Life Insurance**	No	Purchase	Purchase
Short-Term Disability Insurance**	No	Purchase	Purchase

LEGAL SHIELD

Pre-Paid Legal***	No	Purchase	Purchase
-------------------	----	----------	----------

NAVIA

Flexible Spending Account**	No	Purchase	Purchase
-----------------------------	----	----------	----------

VOYA

Accidental Death and Dismemberment Insurance	No	Purchase	Purchase
Supplemental Life Insurance	No	Purchase	Purchase

*Based on number of hours worked **Available only during annual open enrollment ***Not payroll deducted

SECTION FIVE

Benefits

1. Who Gets What Benefits?

Because all employees are employees of the same organization, all benefits must correspond. Local entities such as churches and schools must not offer any special benefits different from those detailed by the Northern California Conference because that practice creates a discriminatory employment environment. All full-time regular status employees are required to be covered by our medical plan on their date of hire. Additionally, any employee averaging 30 hours a week over a specified measurement period will also be eligible for health care.

The chart on the left shows the benefit structure. The left column shows the benefit. There are columns showing those who work “less than half-time” (up to 18 hours), “half-time or more” (19-27 hours), and “full-time” (38 hours). You will note

Because all employees are employees of the same organization, all benefits must correspond.

that some benefits are provided at the employer’s cost (those marked “Yes”), and some are available for the employee to purchase. Information on each benefit is available from the Human Resources Department.

It should be noted that under some circumstances, employees can choose to opt out of certain benefits. Care must be taken that there is NO perception that employees are being encouraged to opt out of benefits. If an employee asks to decline benefits, contact the Human Resources Department for instructions.

2. Vacation and Sick Leave for Nonexempt Employees

The policies of the Northern California Conference apply to all its employees, whether serving at a church, school, or other entity. Qualifying hourly employees of the Northern California Conference are given paid time off for vacation, birthday and holidays, short-term sick leave, and long-term sick leave. Based on requirements of the

Years of Service	1-4 years	5-9 years	10+ years
Vacation time eligibility in weeks	2 weeks	3 weeks	4 weeks
Vacation time eligibility in hours	76	114	152
Birthday and Holiday hours	85.5	85.5	85.5
Short-term Sick Leave hours	38	38	38
Total Hours	199.5	237.5	275.5
Hours leave earned per hour worked	.1010	.1202	.1394
"Extended Sick Leave"	38	38	38
Hours leave earned per hour worked	.019	.019	.019

California Sick Leave Law, employees working less than half time (both regular and temporary) may also be eligible for sick leave benefits, depending on the amount of hours they work. Please contact the Human Resources Department for further details.

Paid Time Off (PTO) is shown on an employee’s pay information sheet each payday. PTO is comprised of accrued vacation, the employee’s birthday, eight holidays, and short-term sick leave. (Please see calculation graph above, which shows the rate of vacation time accrual.) PTO is accrued based upon the percentage of “full-time” a person is scheduled to work.

Extended Sick Leave is shown on an employee’s pay stub. If a regular full-time employee is sick or hospitalized, the first 24 hours of

scheduled work time off will be paid from PTO and subsequent time from the Extended Sick Leave bank. For regular part-time employees, hours used for hospitalization are prorated based on the percentage of time they are scheduled to work.

Employees who transfer from other denominational organizations cannot transfer credit toward the accrued vacation/sick leave bank. Credit for the time served in the previous organization may apply toward the accrual rate.

Unused PTO hours may accumulate up to a maximum of the equivalent of 1½ times the annual accrual. When employment is terminated, payment will be made at the current wage rate for any unused PTO. Pay cannot be collected for unused Extended Sick Leave.



KEI UESUGI/DIGITAL VISION/THINKSTOCK

PTO is comprised of accrued vacation, the employee's birthday, eight holidays, and short-term sick leave.

3. Short-term and Long-term Disability

There are no short-term disability benefits for the employees of the Northern California Conference. As will be noted later, there are no State Disability Insurance benefits available either. Exempt employees fall under

the policy of the North American Division whereby their salary continues during the long-term disability elimination period.

Long-term disability is provided for all full-time Northern California Conference employees. Details are available at the Human Resources Department.

4. Retirement

The North American Division Retirement Plan is a defined contribution plan. For half-time or more employees, the employer provides a basic contribution, and employees have an option for matching funds based upon their contributions, up to a cap. All employees are eligible to make voluntary contributions. Some employees may be eligible for benefits under the frozen Defined Benefit Plan. Details are available through the Human Resources Department.

5. Healthcare

The Northern California Conference offers two healthcare options at the current time. These are available to regular full-time employees and other employees who may become eligible based on health care laws. Due to anti-discrimination laws, individual entities cannot offer their own medical plans to employees.



who is and who is not eligible to receive tuition assistance. Any assistance or reduction of tuition for employees is a benefit that falls under these rules. To be eligible for tuition assistance, the student must be:

- a. An unmarried dependent of the employee.
- b. Less than 24 years old unless the student has given compulsory military service, volunteer service for the Church, or has a documented medical consideration.
- c. Eligible to be claimed as a dependent on the employee's income tax return.
- d. Born to, or legally adopted by, the employee and/or spouse or is a stepchild by marriage receiving more than 50 percent of support from the new family unit.

The Northern California Conference church, school, or other ministry employing the parent of the student may be required to provide assistance of up

6. Tuition Assistance

Tuition Assistance is only available for full-time exempt employees. Because of anti-discrimination laws, local entities do not have the authority to determine

to 70 percent of the tuition and all required fees for dormitory students, and up to 35 percent of the tuition and other applicable fees for those not in the dormitory. The assistance on the academy or college/university

level should be calculated on the gross charges for tuition and required fees, according to the current bulletin of the school the student is attending, before family or other discounts granted by the school. In cases where an employee's church provides a subsidy to cover the differential between constituent and non-constituent tuition rates, the tuition assistance from the employer shall be based on the net tuition expense to the employee. This shall not include charges for private music lessons except where such lessons are required for credit toward music majors or minors, in which case the above percentages may be applied on the basis of the tuition ordinarily charged for an equivalent number of credit hours.

7. Leaves

There are various types of leaves available for employees, depending upon many factors. Some leaves required by law are not available to employees of religious organizations. For information regarding specific leaves of absence, contact the Human Resources Department.

8. Unemployment Insurance, State Disability Insurance, and Paid Family Leave

Because the Northern California Conference is a religious non-

profit, we are not participants in the State-run insurance programs for unemployment or disability, and the Paid Family Leave program that California runs. Additionally, the Consolidated Omnibus Budget Reconciliation Act (COBRA) does not apply to health care plans sponsored by churches and certain church-related organizations. Therefore, the Conference does not make it a practice to continue group health care benefits for terminated employees. It is very important that you inform all your employees of this fact so they have no expectation of receiving benefits from any of these programs.

9. Jury Duty

To provide income protection while carrying out their civic responsibility, employees can be paid their regular pay for time spent serving on jury duty up to a period of two workweeks. Pay will be for whole workdays, or a major fraction thereof, spent serving on jury duty. Regular employees that are scheduled to work half-time or more are eligible to receive this benefit. Employees must provide proof of actual service to receive pay.

APPENDIX A

Steps For Employing An Individual

1. Work with the Human Resources Department to establish a written job description and wage scale.
2. Advertise the position.
3. Have applicants fill out the job application form.
4. Conduct interviews with promising candidates, and select the candidate you wish to hire.
5. Contact the Human Resources Department regarding the issuing of the employment offer letter.
6. Once you have offered and a person has accepted the job, instruct the candidate to complete the entire employment paperwork package.
7. Send the Human Resources Department all the employment paperwork.
8. Wait for confirmation of eligibility to work before allowing any work to be done.

APPENDIX B

Guidelines for Interviewing Candidates

Legal Issues

- ▼ Remember, the state of California specifically does not exempt churches from labor laws.
- ▼ To ensure that the interviews you conduct do not expose the Conference to lawsuits, create a list of acceptable questions and stick to it.
- ▼ Any question prohibited on a job application is similarly prohibited in an interview.
- ▼ All the classes protected by the U. S. Civil Rights Act and the California Fair Employment and Housing Act, with the exception of religion, bind churches and church entities.
- ▼ Never ask questions about marital status, pregnancy, or children, including questions about childcare.
- ▼ Be careful when asking about hobbies or outside activities. It is discriminatory to ask about

clubs, societies, lodges, or organizations to which the applicant belongs that might indicate race, national origin, sex, age, etc.

- ▼ Do not ask what language an applicant knows unless the job requires the applicant to speak and/or write a particular language fluently.
- ▼ Rarely is it appropriate to ask an applicant's age, although there are a few exceptions. For example, child labor laws in California require a work permit for anyone under age 18.
- ▼ Be careful asking some questions about an applicant's education as it may be interpreted as seeking information about age.
- ▼ Due to potential liability under the Americans with Disabilities Act (ADA), as well as California's Fair Employment and Housing Act (FEHA), it is wise to familiarize yourself with the basic requirements of those laws before interviewing. While it may seem only natural to ask certain questions of an interviewee whose physical disability is obvious to you, many of those questions may be strictly prohibited.

Developing Interview Questions

Below you'll find two lists of questions — the first lists what never to ask a job candidate; the second provides acceptable alternatives.

Do NOT ask:

- ▼ Are you a U.S. citizen?
- ▼ Is that a Jewish (or Chinese, Irish, French, etc.) name?
- ▼ In what country were you born?
- ▼ Do you have your own car?
- ▼ Do you have, or plan to have, children?
- ▼ What does your spouse do for a living?
- ▼ Are you married?
- ▼ Are you single?
- ▼ Do you live alone?
- ▼ Do you have a disability that might interfere with this job?
- ▼ When did you graduate from high school?
- ▼ How many days were you sick last year?

You may ask:

- ▼ If you are hired, can you provide evidence that you are legally able to work inside the United States? (If asking this question, ask all applicants, not just select interviewees.)
- ▼ Do you have transportation to get to work?

- ▼ Are you willing and able to travel?
- ▼ Can you work overtime if needed?
- ▼ Why did you apply for this job?
- ▼ What do you consider the greatest accomplishment in your career?
- ▼ Is there anything that might make you leave this job?
- ▼ Why are you leaving your current job?
- ▼ What type of environment (i.e., individual, team) do you perform best in?
- ▼ What qualifications do you possess for this job?
- ▼ How has your prior experience helped prepare you for this job?
- ▼ Can you describe your relationship with your previous supervisor?
- ▼ As a church-related entity you may also ask:
 - Where is your church membership currently?
 - Describe your spiritual journey.
 - Tell me about a book you read recently and how it affected you.

Also, make your interview questions more open-ended. Rather than, “How do you handle conflict?” ask, “Describe a conflict

you dealt with and how you handled it?”

Conduct Consistent Interviews

After you make your list of appropriate, lawful questions, you may choose to ask all of the questions on the list or only those you feel pertain to a particular job. Be sure all questions are strictly job-related, nondiscriminatory, and not an invasion of the applicant’s privacy.

Before the interview, review your entire list, and clearly mark those questions you believe are most relevant to the position for which you are interviewing. Then, ask each candidate only those questions you have marked.

If more than one person is interviewing candidates, be sure each interviewer has the same list of questions. Instruct each interviewer not to deviate from the pre-selected questions.

Taking Notes

If you talk to an applicant at the time he/she gives you his/her completed application or during an interview, you may be tempted to write on the applicant’s application and/or resume. Unless you take complete, legible notes (that are not open to any misinterpretation) and are in no way discriminatory, don’t do it.

Notations on an application and/or resume may, upon close examination, subject you to claims of discrimination.

If you are taking notes about the applicant's responses to questions, be sure that you are not using abbreviations or a coded rating system that could be incorrectly interpreted at a later date.

Keep objective records of why an applicant was or was not hired. For example, for a maintenance position: "Did not have experience with necessary equipment" rather than "not impressed."

Be sure your notes evaluate criteria actually necessary to perform the job. For instance, when interviewing for an administrative assistant, your notes should reflect items such as "good interpersonal skills, types 75 wpm," rather than "handsome, blue suit."

Avoid Overpromising

Those who participate in the interview process must not exaggerate the employment opportunity or wage scale no matter how anxious they may be to recruit the applicant.

A P P E N D I X C

Sample Forms

Since forms can change, we have not included sample forms in these guidelines. A separate package of sample forms is available. However, we encourage you to get the most current form off of the website. We keep the most up-to-date forms available at the Human Resources Department section of the Northern California Conference website.

[www.nccsda.com/
employmentforms](http://www.nccsda.com/employmentforms)

APPENDIX D

Employee or Independent Contractor? How To Tell the Difference and Why It Matters

Misclassifying workers as independent contractors rather than employees is the most common labor law violation in California and results in the most fines and penalties being assessed against employers, as well as numerous lawsuits. An employer that misclassifies an employee as a contractor will be held liable for additional taxes, penalties, and interest; additional wages and overtime obligations; workers' compensation coverage; or even civil liability for on-the-job injuries. The IRS has established a 20-point checklist for determining if a worker is an employee or independent contractor. That checklist is found in Appendix E. Please carefully review these factors before deciding whether or not to treat a worker as an independent contractor. In addition, **all contracts** must be reviewed by the Risk Management Department.

Documentation: If a church worker meets the legal requirements for independent contractor status, then the

following documents should be completed and kept on file at your location for verification during the next audit by Conference auditors and/or government inspectors:

1. A written agreement that clearly states that the worker is an independent contractor and not an employee. If you do not have a written agreement, this will be considered a strong signal that the worker has been misclassified.

2. A copy of the contractor's business license. Most cities and counties require anyone doing business to have a business license. If your city or county requires persons doing business to have a business license and you have not required the worker to show that he/she has one, the worker will probably be considered an employee.

3. A certificate of insurance provided by the contractor showing that he/she carries liability insurance and workers' compensation insurance for employees of the contractor. This is both a legal requirement and Conference policy. If the contractor has anyone helping him/her do the work, he/she **must** provide proof of workers' compensation insurance. **No exceptions!**

4. Invoices for services. A contractor should provide you

with a monthly invoice for his/her services. Payments should always be made to the business. If the church or school simply writes a check each month to an individual, not a business, and has received no invoices, this will be considered strong evidence that the worker is actually an employee.

5. A completed IRS Form W-9.

This form is required so that the money paid to the contractor may be properly reported on a 1099 Form at the end of the year.

For the protection of your church or school, a worker who does not meet the above tests, or cannot provide the required documentation, must be treated as an employee. All employees are to be paid through the Payroll Department. The Human Resources Department will help you process the paperwork for new employees. Also, workers at a school may need to be fingerprinted and a background clearance obtained, regardless of whether they are employees or contractors.

If there are any questions concerning the classification of workers, please do not hesitate to contact the Human Resources Department.

A P P E N D I X E

IRS Guidelines For Independent Contractor Status

The IRS has established a 20-point checklist that can be used as a guideline in determining whether or not a contractor can legally be paid on a 1099. This checklist helps determine who has the “right of control.” Does the employer have control or the “right of control” over the individual’s performance of the job and how the individual accomplishes the job? The greater the control exercised over the terms and conditions of employment, the greater the chance that the controlling entity will be held to be the employer. The right to control (not the act itself) determines the status as an independent contractor or employee. The 20-point checklist is only a guideline. It does not guarantee that a person is correctly classified. There is no one single homogenous definition of the term “employee.” Most agencies and courts typically look to the **totality of the circumstances** and balance the factors to determine whether a worker is an employee.

**Following are the 20 points
that have been established:**

1. Must the individual take instructions from your management staff regarding when, where, and how work is to be done?
2. Does the individual receive training from your company?
3. Is the success or continuation of your business somewhat dependent on the type of service provided by the individual?
4. Must the individual personally perform the contracted services?
5. Have you hired, supervised, or paid individuals to assist the worker in completing the project stated in the contract?
6. Is there a continuing relationship between your company and the individual?
7. Must the individual work set hours?
8. Is the individual required to work full-time at your company?
9. Is the work performed on company premises?
10. Is the individual required to follow a set sequence or routine in the performance of his/her work?
11. Must the individual give you reports regarding his/her work?
12. Is the individual paid by the hour, week, or month?
13. Do you reimburse the individual for business/travel expenses?
14. Do you supply the individual with needed tools or materials?
15. Have you made a significant investment in facilities used by the individual to perform services?
16. Is the individual free from suffering a loss or realizing a profit based on his/her work?
17. Does the individual only perform services for your company?
18. Does the individual limit the availability of his/her services to the general public?
19. Do you have the right to discharge the individual?
20. May the individual terminate his/her services at any time?

In general “no” answers to questions 1-16 and “yes” answers to questions 17-20 indicate an independent contractor. However, a simple majority of “no” answers to questions 1 to 16 and “yes” answers to questions 17 to 20 does not guarantee independent contractor treatment. Some questions are either irrelevant or of less importance because the answers may apply equally to employees and independent contractors.

A P P E N D I X F

How to Make a Written Job Description

Take a sample from the website (www.nccsda.com/jobdescriptions) that seems to match. (If you don't find a match, contact the Human Resources Department).

1. Add to and take away from the sample.

2. Submit the job description to the Human Resources Department to be reviewed by the Wage Scale and Job Description Committee.
3. The Committee will assign a wage scale and approve the job description.
4. The job description and wage scale will be returned to you.

Northern California Conference of Seventh-day Adventists

Human Resources Department

401 Taylor Boulevard • P. O. Box 23165 • Pleasant Hill, CA 94523

(925) 603-5041 • hr@nccsda.com • Fax: (888) 609-3904

www.nccsda.com/humanresources

Thank you

for all you do to continue ministry within
the Northern California Conference.



ANAMAD/Stock/Thinkstock