

CATHOLIC DIOCESE OF LANSING

EMPLOYEE HANDBOOK

***Governing employment with the Diocese or
with parishes, schools, and agencies of the Diocese***

This is a handbook of policies for all lay employees of the parishes, schools, and agencies of the Catholic Diocese of Lansing, except those agencies that are separate corporations. The employment policies in this handbook supersede all previous employment policies, and will not be negated by any other Diocesan policy issued before this date.

Revisions approved by Bishop Earl Boyea, effective April 1, 2011.

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The Diocese of Lansing gives glory to God, and preaches the Gospel of Jesus Christ for the salvation of souls. Employees of the parishes, schools, and agencies of the Diocese should pray daily for persons in our Diocese. Grateful for the opportunity to serve, employees should demonstrate intelligence, energy, courage, judgment, and charity in all dealings with fellow employees, and with those whom the employer serves.

I. OVERVIEW

A. Employment Policies

The policies in this handbook, as well as other policies subsequently issued in writing from time to time by the Bishop, govern employment with the Catholic Diocese of Lansing, and with any of its parishes, schools, or agencies. However, this employee handbook is not a contract of employment, although both employer and the employee are bound by the limitation period set forth in paragraph I.F. Likewise, no part of the Diocese of Lansing’s policy manual or educational policy manual is a contract of employment.

The policies in this handbook apply to all lay employees of the Catholic Diocese of Lansing and to all lay employees of its parishes, schools, and other agencies, except those that are separate corporations. All those entities are collectively referred to within these policies as the “employer”. In the phrase “parish, school, and agency,” or any similar phrase (singular or plural, conjunctive or disjunctive), the word “agency” encompasses the Diocese itself, as well as its unincorporated offices, charities, cemeteries, and every other unincorporated organization or entity that is part of the Catholic Diocese of Lansing. In the phrase “pastor, pastoral coordinator, principal, or agency director (as the case may be)”, or any similar phrase, the words “agency director” refer to the highest authority within that particular agency, regardless of the title held by that person.

Clerics and religious, as well as lay persons holding certain ecclesial positions, have rights, responsibilities, and remedies under Canon Law. This handbook does not enlarge or restrict those rights, responsibilities, or remedies, and does not cause those rights, responsibilities, or remedies to be enforceable in civil law.

As an integral part of these policies, the employer retains the right to exercise all administrative and managerial functions related to the operation of the

employer. No person, in any capacity whatsoever, is authorized to alter the policies in this handbook, except in writing in an individual case and with the written authorization of the Bishop.

The Catholic Diocese of Lansing reserves the right and the discretion to amend or delete benefits, compensation, or policies, except for the 180-day limitation period explained in paragraph I.F. Any such change is prospectively effective from the date the change is made unless the announcement of the change states a later date.

The employer acknowledges that some individual employees have received a separate, written employment contract entered into between the employee and the employer. Others are included within a collective bargaining agreement. Such contracts and agreements are to be read in conjunction with the policies in this handbook. If there is a conflict between language in this handbook and language in an employment contract or collective bargaining agreement, the language of the employment contract or collective bargaining agreement controls.

This handbook is issued so that employees can understand the policies of the employer. It does not create any third-party beneficiary rights.

B. Ministry

The employer is a religious institution, and its efforts are directed toward the glory of God and the salvation of souls. The Gospel is to be always and everywhere proclaimed and lived. While employees are asked to serve in a variety of roles, each employee's duties and responsibilities are primarily religious. That is, by direct action or by indirect example, each employee is involved in spreading the faith and other key works of the Church. Each employee's position is vital to the spiritual and pastoral mission of the Church, and is inherently religious.

Within the structure of federal and state law, the employer will deem as "ministerial" any employee whose duties are, to any significant degree, liturgical, evangelical, or educational, or pertain to the corporal works of mercy. These are core religious functions of the Catholic Church. Only persons working exclusively in the realms of finance (accountants, bookkeepers, etc.) and physical property (custodians, maintenance workers, etc.) should assume their positions are not "ministerial" within the structure of federal and state law.

C. Catholic Fidelity

In both personal and professional life, an employee must exemplify the moral teachings of the Catholic Church. The employee must not teach, advocate, model, or in any way encourage beliefs or behaviors that are contrary to the teachings of the Catholic Church.

D. Employment Relationship

The employment relationship is “at-will”, and is terminable at the will of either the employer or the employee. This means that, just as any employee may terminate his or her employment with the employer at any time, for any reason or for no reason, so may the employer terminate an employee at any time, for any reason or for no reason. This employment relationship may not be modified by oral statements of others and can be modified only by a written instrument signed by the Bishop.

E. Equal Opportunity

The employer is fully committed to a policy of equal opportunity in its employment practices. Its personnel decisions will be made without illegal discrimination on the basis of age, sex, religion, marital status, race, disability unrelated to the ability to do the essential functions of the job, national origin, color, height, weight, health history, genetic background, or status in any group protected by state or federal law.

Because of the nature of the employer and its mission, the employer may give priority in hiring and other personnel decisions to practicing Catholics who are in good standing with the Catholic Church.

Reasonable accommodation will be made for a disability. A person requiring reasonable accommodation for a disability must notify, in writing, the pastor, pastoral coordinator, principal, or agency director (as the case may be) within 182 days after the need for the accommodation becomes or should have become known.

F. Limitation Period

An employee is obliged to bring any demand, claim, or suit within the **shorter** of the following two deadlines: (1) the applicable statute of limitations, or (2) 180 calendar days after the occurrence of the event precipitating the demand,

claim, or suit. Any time limit to the contrary, including any longer time limit, is waived.

G. Respect and Safety

An employee must treat with respect, courtesy, and charity each person who comes to a parish, school, or agency for any reason.

An employee should be especially mindful of safety in dealing with young people. Except for recreational or charitable activities that have a degree of physical risk and that are described in a properly executed consent form, an employee may not, by action or inaction, allow young people to be endangered.

An employee who serves the young needs to exercise sound judgment at all times. For obvious reasons, an employee must be particularly sensitive to any actual or perceived risk of sexual impropriety. An employee's physical contact with a young person must always be limited, appropriate, and public. Sleeping arrangements on overnight trips must exclude adults sleeping in the same room as young people (except that a parent may share a room with the parent's child, and two or more adults may share a large sleeping area such as a dormitory or gymnasium with young people of the same sex).

H. Confidentiality

An employee might learn or receive confidential information. During and after employment, confidential information may not be shared with non-employees except as provided by law or court order, and may be shared with other employees only on the basis of a need to know.

As mandated by statute (MCL 445.81, *et seq.*), an employee must protect the confidentiality of Social Security numbers to the extent practicable, and must avoid unlawful disclosure of those numbers. An employee may not have access to another person's Social Security number unless access is necessary to conduct the business of the employer, including background checks and payroll functions. Unless authorized by law, an employee may not display, or require the display of, more than four sequential digits of a Social Security number. Unless authorized by law, an employee may not mail or transmit electronically, or require the mailing or electronic transmission of, more than four sequential digits of a Social Security number ("mailing" includes the use of any delivery service that does not require the signature of recipient

indicating actual receipt). A document that contains a Social Security number can be disposed only by a method that ensures the privacy and confidentiality of the Social Security number; examples would include shredding or burning the entire document, or removal or obliteration of the Social Security number. Employees should understand that significant civil and criminal penalties are imposed by law for violation of the statute. Likewise, the employer is obliged by law to state that discipline, including dismissal, may result from violation of this policy.

Pastoral counselors and spiritual directors should maintain a log that reflects names, dates, and times for sessions held, but should otherwise maintain no records of their conversations. Thus, they should not audio- or videotape sessions.

I. Professionalism

An employee should not undertake work for which he or she is not qualified. An employee must demonstrate high standards of professionalism, must follow the policies of the Catholic Diocese of Lansing and the employer, and should follow “best practices” in the employee’s field as described from time to time by diocesan personnel or by professional organizations that honor sound moral principles. An employee must comply with applicable law, including, without limitation, statutory reporting requirements and legal protections for intellectual property.

J. Boundaries

An employee must maintain appropriate relationship boundaries with fellow employees and with persons whom the employer serves. To that end, an employee should avoid work-related meetings at times or places or in circumstances that could create an ambiguity as to the nature of the relationship.

Sexual harassment, sexual abuse, and improper sexual contact is absolutely forbidden in any parish or school or agency. For a host of reasons, principally the Christian obligation of faithfulness within marriage and celibacy outside marriage, an employee must have no sexual or intimate physical contact with a parishioner, student, client, or other person whom the employee serves or works with in the course of employment.

An employee may not bully, taunt, stalk, or similarly harass or demean a

fellow employee or volunteer, or a person whom the employee serves in the course of employment.

K. Crisis Intervention

To protect the safety and welfare of employees and of our whole community, each employee is asked to be watchful of any potential for violence. If an employee is concerned that a fellow employee or any other person in the work environment is exhibiting demeanor or behavior that suggests a risk of violence, the employee should immediately report the situation to the pastor, principal, or agency director (as the case may be). If the pastor, principal, or agency director is the person about whom the employee is concerned, the employee should report the situation to the Chancellor of the Diocese of Lansing. (517) 342-2454. A situation of current danger should be reported immediately to the police or other public safety officials.

Unless disclosure is required by law, the employer will protect the identity of an employee making such a report.

L. Reporting Misconduct

An employee must comply with any law that requires that misconduct be reported to civil authorities. Additionally, physical, sexual, or financial misconduct must be promptly reported to the appropriate representative of the employer. If an employee is uncertain to whom such a report should be given, the employee should contact the Chancellor of the Diocese of Lansing. (517) 342-2454.

M. E-mail and Other Electronic Communication

All electronic and telephonic communications systems and any information, communication, or file transmitted by, received from, or stored in the employer's equipment are the property of the employer. This includes telephone, voice-mail, e-mail, text message (SMS), Facebook, Twitter, and any and every past, present, or future form of electronic media. As such, these systems are to be used solely for job-related purposes as identified and described in the policy on electronic communication distributed separately to employees. Employees are permitted to use the technical resources of the employer for occasional, minimal, nonwork purposes.

An employee has no right of privacy as to any information, communication,

or file transmitted by, received from, or stored in the employer's equipment. This includes telephone, voice-mail, e-mail, text message (SMS), Facebook, Twitter, and any and every past, present, or future form of electronic media. Improper use of any communication systems will not be tolerated. Improper use includes downloading or sending material that is unlawful, threatening, harassing, defamatory, offensive, or sexually explicit. Improper use also includes any use that violates any law or contract that protects intellectual property or proprietary rights in software.

To ensure that the use of electronic and telephonic communication systems and business equipment is consistent with the employer's legitimate business interests, the employer may monitor the use of its equipment at any time for any reason or no reason. This may include examining current or stored messages on telephone, voice-mail, e-mail, text message (SMS), Facebook, Twitter, and any and every past, present, or future form of electronic media.

N. Weapons and Contraband

On property owned by the employer or while conducting the business of the employer, no employee may possess (a) a firearm, even with a concealed weapons permit, (b) a knife other than a kitchen knife or cutting instrument for imminent proper use in the course of business, (c) a controlled substance other than a prescribed medication, or (d) alcohol other than for Mass, for a suitably licenced social activity, or for proper personal use by an adult over the age of 21 in a residence owned by the employer.

An employee who properly possesses a registry identification card for medical marijuana may exercise the right to smoke marijuana to the extent granted by the Michigan Medical Marihuana Act (MMMA). Such an employee may not perform any task under the influence of medical marijuana when doing so would constitute negligence or professional malpractice, or would adversely affect the employee's ability to perform the essential functions of the employee's job, may not possess marijuana on the grounds of a school, may not smoke marijuana in a public place, may not ingest marijuana in any workplace, and may not otherwise violate the provisions of the MMMA.

O. Intellectual Property

Intellectual property that relates to an employee's job and that is generated by the employee in the course of work is the sole property of the Catholic Diocese of Lansing. Such intellectual property includes ideas, concepts, improvements,

trade secrets, discoveries, inventions, and material that is subject to patent, copyright, trademark, trade-secret, and similar laws and legal principles. Any writings, drawings, charts, files, models, or other record of such intellectual property, whether kept on paper, electronically, or in any other medium, is the sole property of the employer. While it is likely that the Catholic Diocese of Lansing would grant a request to use its intellectual property for non-commercial purposes related to the spread of the Gospel, such permission may be granted only in writing by the Bishop, or by the pastor, pastoral coordinator, principal, or agency director (as the case may be).

P. Smoking

Smoking is not permitted inside any building of the employer, except that an adult living in a residence owned by the Catholic Diocese of Lansing can smoke within that residence if lawful and if approved by the pastor or the person with supervision of the residence.

Q. Policies Established Locally

Some employment policies are set locally by parishes, schools, and agencies. The pastor, pastoral coordinator, principal, or agency director (as the case may be) shall determine (1) whether to provide dental insurance through a program administered by the Michigan Catholic Conference; (2) the premium contributions that the employer will make toward medical insurance and, if it is provided, dental insurance; (3) hours of operation; (4) work schedules for full- and part-time employees; (5) leave policies, including time for vacation, personal and family illness, and personal business (leave policies for school teachers, however, are set forth in this handbook); (6) the method of documenting hours actually worked, (7) whether to grant longevity pay and, if so, the formula for such payments; (8) holidays when the parish, school, or agency will be closed; (9) whether the payment to an employee who has medical insurance from another source and who does not receive medical insurance as a benefit from the employer will be \$1,000, or instead will be \$2,000; (10) whether medical insurance as a benefit from the employer is unavailable to an employee who has access to medical insurance from another source, (11) whether an employee will receive any benefits beyond those explained by this handbook; (12) procedures and rules for reimbursement of travel expenses, including prior approval, and (13) other matters not regulated by this handbook.

II. EMPLOYMENT REQUIREMENTS AND PROCEDURES

A. Offer of Employment

An offer of employment should be in writing. It may be extended by the Bishop or by a pastor, pastoral coordinator, principal, or agency director (as the case may be). The offer of employment should include the job description, the date upon which employment begins, the starting salary, and any special conditions relating to the position, including, if appropriate, the date upon which employment ends.

B. Background Checks and Employment References

Before an employee is hired, a criminal background check that includes fingerprinting will be conducted. For the purpose of this section II.B., the word “employee” includes coaches, lunchroom and playground supervisors, substitute teachers, and other persons who are paid to provide instruction or assistance of any kind to children, without regard to whether such a person qualifies as an “employee” for other purposes.

An employee may be conditionally hired if (a) materials for a criminal background check have been submitted, but the report is not yet available, and (b) the employee signs a statement identifying all prior convictions and agreeing that the employer can terminate the employment relationship immediately if the statement is contradicted by the report.

An employee who is arrested or charged with a felony must report that information to the employer.

A person who has been convicted of a “listed offense” under MCL 28.722(e) may not be employed by a school or serve as a volunteer at a school.

Before a volunteer who regularly will have four or more monthly hours of contact with minors begins to serve, a criminal background check will be conducted. The criminal background check on such a volunteer will include fingerprinting unless the volunteer has resided continuously in the state of Michigan for the preceding ten years. A volunteer may be conditionally engaged if materials for a criminal background check have been submitted, but the report is not yet available.

The employer reserves the right to conduct an initial or an updated background

check on any employee or volunteer at any time for any reason or for no reason, in the sole discretion of the employer. The background check may include fingerprinting, a check of criminal records, a check of child abuse and neglect records, and any other lawful manner of inquiry.

An employee or volunteer must participate in any educational programs mandated by the Diocese of Lansing for the protection of children.

C. Acknowledgment and Agreement

No person can be employed unless that person has signed the “Acknowledgment” that is found at the end of this handbook. This paragraph does not apply to full-time teachers or other employees whose employment is governed by a separate, written employment contract or by a collective bargaining agreement.

D. Post-Offer Physical Examination

After an offer of employment has been made, the employer may require a physical examination (by a physician or clinic of the employer’s choice), with employment conditioned on the results. The exam shall focus solely on the applicant’s ability to perform the job, with or without reasonable accommodation, as delineated in the job description. The cost of any such examination will be borne by the employer.

E. Relatives of Employees

The employment of relatives of present employees is permissible, if one related employee is not the direct supervisor of the other. If an employee becomes related to a direct supervisor, the employee with the lower level of responsibility will be transferred to another suitable position or will be asked to resign.

F. Employment Eligibility Verification

After the hiring decision has been made, proof of United States citizenship or the right to remain in the country must be established. Therefore, an employee’s eligibility for employment must be verified according to the Immigration Reform and Control Act of 1986 (the “I-9 Form”). In addition, a New Hire Reporting Form must be completed under the laws of the State of Michigan. The appropriate forms must be completed and placed in the

employee's personnel file.

G. Orientation and Training

Each new employee is subject to an initial training period of at least three calendar months. The training will focus on the duties to be performed and, for ministerial employees, on the ministerial nature of the employment. The training permits the employer to evaluate the employee's performance and it also provides an opportunity for both the employer and the employee to assess whether the position is appropriate for the employee's professional interests and skills, and, as appropriate to the position, commitment to ministry.

H. Personnel Records

A personnel record is maintained for each employee. It is confidential as, and to the extent, provided by law. An employee may review the employee's own personnel file during regular business hours, after making a reasonable and timely request.

An employee must promptly notify the pastor, pastoral coordinator, principal, or agency director (as the case may be) of any change in address, telephone number, marital status, or number of dependents.

I. Evaluation

Pastors, principals, and agency directors (as the case may be) should promptly communicate to an employee any concerns regarding the employee's job performance. Excellent performance should likewise be noted. These matters often can be discussed orally, but significant matters should be placed in writing. This communication process can, but need not, include formal written evaluations on a periodic basis. All evaluations must be retained in the personnel record. When given an unfavorable evaluation, the employee may respond in writing, and the response must also be kept in the personnel record.

III. EMPLOYMENT STATUS AND BENEFITS

A. Employment Status

All employees will hold one of the following designations of employment status according to the federal Fair Labor Standards Act of 1938 (FLSA).

1. Exempt Employees — Supervisors, administrators, and professionals are exempt from the FLSA and, therefore, do not receive overtime pay. To be exempt, an employee’s work generally must be executive, professional, or administrative in nature, requiring the regular exercise of discretion, independent judgment, and the employee must be paid on a salary basis, unless a fee or hourly rate is specifically permitted by the FLSA. To be paid on a salary basis means that, except as provided by law, an exempt employee receives a fixed amount without regard to variations in the quality or quantity of work performed.
2. Non-Exempt Employees — Employees who perform work other than exempt work as defined by the FLSA must receive compensation for overtime at a rate of time and one-half as legally required.

B. Types of Positions

Each employee’s position will be designated according to the following criteria:

1. Full-Time: An employee who is scheduled to work full-time on a continuous basis will be compensated on a salaried or hourly basis and will receive full benefits. “Full-time” means at least 37½ hours per week . For a teacher or school administrator, “full-time” refers to the normal full day of instruction throughout the school year, along with other periods of presence required by the contract. To determine whether a person employed by more than one parish, school, or agency is full-time, one must consider the total number of hours worked weekly.
2. Part-Time 1: An employee who is scheduled to work 20 or more hours per week, but less than full-time, on a continuous basis may be compensated on a salaried or on an hourly basis. Such an employee will be eligible to receive benefits, except that (a) leave time and (b) the employer’s portion of the premium for medical insurance and, if provided, dental insurance will be prorated according to the number of regularly scheduled hours. To determine whether a person employed by more than one parish, school, or agency is “part-time 1,” must consider the total number of hours worked weekly.
3. Part-Time 2: An employee who is scheduled to work less than 20 hours per week on a continuous basis may be compensated on a salaried or on

an hourly basis and will receive no benefits other than those that are required by federal or state statute.

4. Temporary: An employee who is hired into one of the above categories, but for a limited and specified period of time not to exceed six months, is a temporary employee who does not satisfy the “on a continuous basis” requirement of the preceding three paragraphs.

C. Benefits

The employer reserves the right to add, discontinue and change benefits at any time, with or without notice. In addition, programs administered by the Michigan Catholic Conference may be prospectively amended at any time by the Michigan Catholic Conference. Any discrepancies between explanations of benefits in the handbook and the applicable plan document will be governed by the plan document.

An employee who is categorized as “Full-Time” or “Part-Time 1” is eligible to receive life insurance, and short- and long-term disability insurance, at no cost to the employee, through programs administered by the Michigan Catholic Conference. The employer will make the contributions to the Michigan Catholic Conference retirement system on behalf of such an employee. Such an employee also will receive medical insurance for the employee, spouse, and children (available at least through any age mandated by law), at a cost to the employee not exceeding 25% of the premium, through a program administered by the Michigan Catholic Conference. Such an employee may receive other benefits established locally by the parish, school, or other agency. The cost of benefits for an employee who attains full-time or “part time 1” status by working at more than one parish, school, or agency is allocated proportionately to the hours worked at the parishes, schools, or agencies.

An employee who is categorized as “Full-Time” or “Part-Time 1” must accept medical insurance unless the employee has medical insurance from another source. If the employee does have medical insurance from another source and does not receive medical insurance from the employer (either by election or by operation of a policy of the parish, school, or agency), the employee will receive \$1,000 or \$2,000 per year (that sum will be paid through payroll in equal installments during the year). The decision whether to pay \$1,000, or instead to pay \$2,000, is made by the pastor, pastoral coordinator, principal, or agency director (as the case may be). The same sum (either \$1,000 or \$2,000) will be paid to each employee of the parish, school, or agency who

declines medical insurance from the employer (*i.e.*, the parish, school or agency cannot pay \$1,000 to some employees and \$2,000 to others).

Worker's disability compensation benefits and unemployment compensation benefits are paid in accordance with Michigan law.

Where two spouses are employed by different parishes, schools, or agencies, and medical insurance will be provided by one employer, the other will provide the \$1,000 or \$2,000 payment in lieu of insurance. The total expense in this situation (the insurance premium plus the payment in lieu of insurance) will be evenly divided between the two parishes, schools, or agencies. If one or both of the parishes, schools, or agencies requires its employee to contribute toward the expense of the premium, that contribution will be against the portion of the premium (not the divided payment in lieu of insurance) that the parish, school, or agency bears. Where spouses are covered in this fashion, with one parish, school, or agency providing coverage and the other providing the payment in lieu of insurance, the insurance is normally provided through the parish, school, or agency that employs the more senior employee. If one parish, school, or agency offers dental coverage and the other does not, the expense of the dental coverage (reduced by the employee's required contribution, if any, toward the expense of the premium) is borne by the parish, school, or agency that offers the dental coverage. If both parishes, schools, or agencies offer dental coverage, the third sentence of this paragraph applies (remembering that the parenthetical in the third sentence is inapplicable in the case of dental coverage).

D. Premium Contributions

With respect to the premium contributions that the employer will make toward medical insurance and, if it is provided, dental insurance, the employer's contribution will be not less than 75% for full-time employees. For Part Time 1 employees, the contribution will be not less than a figure determined by reducing 75% proportionately to reflect the extent to which the employee works less than full-time. (Thus, where the standard work week for full-time employees is 40 hours, the employer must contribute at least 37.50% for an employee who works 20 hours per week; at least 46.88% for an employee who works 25 hours; at least 56.25% for an employee who works 30 hours; at least 65.63% for an employee who works 35 hours; and at least 75.00% for an employee who works 40 hours per week.)

E. Inadvertent / Improper Pay Deductions

If an exempt employee believes that he or she has had improper deductions from salary, the employee should immediately bring the matter to the attention of the pastor, pastoral coordinator, principal, or agency director (as the case may be) for proper resolution. The employer is committed to proper administration of all aspects of wage and hour law and, through this policy, makes its commitment to good faith compliance with the salary-basis test for exempt employees.

F. Travel Expenses

An employee will be reimbursed for actual and reasonable out-of-pocket expenses while traveling to conduct the business of the employer. The reimbursement will be for meals, lodging, and transportation. The employer will pay mileage at the standard IRS rate if the employee's personal vehicle is used. Procedures and rules for reimbursement, including prior approval, will be set by the employer.

IV. EMPLOYMENT RESPONSIBILITIES AND ATTENDANCE

A. Time Records

All non-exempt employees (whether compensated hourly by or salary) must fill out and sign the appropriate time sheets or time cards for submission to the respective payroll office.

B. Overtime

A non-exempt employee who works more than 40 hours in a week will be compensated at a rate of time and one-half for the overtime for those hours actively worked. An employee may not authorize or certify his or her own overtime. Overtime may be required by an employee's supervisor. All overtime pay must receive prior written authorization of the immediate supervisor.

C. Attendance

An employee is expected to be at work on time and to maintain a good attendance record. Tardiness and unexcused absences may result in disciplinary action if the circumstances warrant such action. For a non-exempt

employee, an unexcused absence will ordinarily result in a loss of pay for the time involved, unless the employee uses sick leave in accordance with an applicable policy of the employer.

When absent from work on a scheduled work day, an employee must provide notice of the reason for the absence. If the absence is to continue beyond the first day, the employee must notify the supervisor on a daily basis unless otherwise arranged. Absence for three consecutive work days without notifying the supervisor is considered a resignation.

D. Nursing Mother Breaks

For one year after the birth of a child, a nursing mother will be granted reasonable paid breaks, up to twenty minutes each, to express milk for her infant. The employer will provide a private and suitable location.

E. Leave Policies

Policies regarding annual leave and sick leave must be established and equitably applied by the employer. However, leave time for school teachers is governed by the next paragraph.

A school teacher is credited with one day of sick leave for each month of service. Unused sick leave can be accumulated to a maximum balance of sixty days, and may be transported from one educational position within this Diocese to another. In addition to sick leave, a school teacher can use two days of leave during each school year for personal business. These personal-leave days do not accumulate from one school year to the next. A school teacher is not paid for unused sick- or personal-leave days. A school teacher who works less than full time is credited with sick- and personal-leave days at a proportionately reduced rate that reflects the number of regularly scheduled hours.

Sick leave is transferrable from one parish, school, or agency of this Diocese to another parish, school, or agency of this Diocese. However, for the first two years following the beginning of employment at that new position, the previous parish, school, or agency must reimburse the current parish, school, or agency for certain expenses of paying for sick leave, as provided in the next two sentences. That is, if an employee or family member has an illness, the employee first uses leave time accumulated at the current parish, school, or agency. If the time is exhausted, the employee then uses the time transferred

from the prior parish, school, or agency, up to the limit of the total time that was transferred.

F. Snow / Weather Days

The employer must maintain regular hours of operation to be responsive to the people served by the employer. During periods of extremely inclement weather, however, the workplace may be declared closed and leave will be granted with pay. If the workplace is not declared closed, an employee electing not to report to work is expected to notify the immediate supervisor and to use vacation or personal time on these occasions.

G. Family

Absences caused by family situations, including pregnancy, are subject to the normally applicable leave policies of the employer, except as required by law, including the Family and Medical Leave Act (FMLA). Thus, for example, a person seeking leave due to pregnancy could, depending on the circumstances, use available paid leave time, short-term disability benefits, and unpaid leave under the Family and Medical Leave Act. However, an employee must exhaust available paid leave time before continuing the absence on an unpaid basis under the FMLA, which is explained in greater detail of section V of this handbook.

H. Jury Duty

A full-time employee serving on jury duty is paid the regular salary, minus the compensation received from the court. A part-time employee serving on jury duty is paid the regular wage for the regularly scheduled hours of work that are missed as the result of jury duty, minus the compensation paid by the court for service during regularly scheduled hours of work. No employee will be required by the employer to spend more than eight hours a day in combined work and jury duty.

I. Bereavement

Paid bereavement leave to a maximum of five days shall be granted for the death or funeral of a spouse, child, step-child, grandchild, sibling, parent, step-parent, grandparent, parent-in-law, or child-in-law, or of another relative living in the employee's home. One day of paid leave will be granted to attend the funeral of a relative not named in the preceding sentence.

J. Military Leave

When an employee who is a member of the National Guard or the Reserves is called to active duty, the employee will not be paid salary or benefits during the period of active duty. However, the employee will be granted all rights provided by law and will be permitted to resume the employee's former position upon conclusion of active duty.

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), an employee who is absent from work for up to twenty-four months because of duties in the uniformed services may continue employer-provided health care coverage at a charge of up to 102% of the full premium under the plan, unless the employee is absent from work for less than 31 days, in which case the employee will not be charged more than the employee's share of the cost of the coverage.

An employee who wishes to be reinstated after military duty must contact the employer within the time limits prescribed by USERRA in order to be eligible. An employee may be eligible for reinstatement rights for up to five years if the employee has been absent from employment on account of military duty in the "uniformed services" and timely applies for reinstatement.

K. Unpaid Leave

Except as provided by law (*e.g.*, the Family and Medical Leave Act), unpaid leaves of absence are granted or not granted, and if granted are governed by terms set, at the sole discretion of the employer. Except as provided by law, an employee on an unpaid leave of absence does not receive salary or hourly compensation, does not accumulate length of service, and does not receive benefits except that insurance coverages can be continued if the employee pays the full premium each month in advance. Except as provided by law, an unpaid leave of absence ordinarily should not exceed one month and must never exceed one year.

All absences must be charged to the appropriate form of leave. Only after appropriate paid leave has been exhausted may unpaid leave be granted.

L. Outside Employment and Activities

Although the employer does not discourage outside employment and does encourage civic involvement, such activities could occasionally create a

conflict of interest. With this in mind, an employee considering such an activity must consult with the pastor, pastoral coordinator, principal, or agency director (as the case may be) prior to making any significant commitments.

An employee retains the personal right to engage in political activity in the employee's private life. However, such political activity must be entirely separate from employment, and may not involve advocacy of beliefs or behaviors that are contrary to the teachings of the Catholic Church. Such political activity may not occur during the compensated portion of any work day, and may not involve the use of the employer's facilities, properties, or assets.

Political activity relating to an issue (not a candidate) is sometimes coordinated by the Catholic Diocese of Lansing and the Michigan Catholic Conference. Such activity may occur in the manner explicitly approved by the Catholic Diocese of Lansing.

M. Conflict of Interest

In general, a conflict of interest exists if the employee has a personal stake in a work-related decision or undertaking, and a reasonable person would be concerned that the personal stake could sway the employee's view away from the best interests of the parish, school, or agency that employs the employee. It is not a conflict of interest for an employee to urge that scarce resources be allocated to the ministry or area in which the employee works.

A minor or questionable conflict can be resolved by the employee's disclosure to the pastor, pastoral coordinator, principal, or agency director (an example might be a parish deciding whether to hire a friend or protégé of the school principal). A more significant conflict can be resolved by excluding the employee from the decision or undertaking (an example might be the decision whether to pay a license fee to use a hymn written by a parish employee). Finally, some conflicts are so substantial that they must be avoided entirely (an example might be a parish entering into a snow-removal contract with a company owned by the parish business manager).

V. FAMILY AND MEDICAL LEAVE ACT

Employees who have completed at least twelve months of service and who have actively worked 1,250 hours or more prior to the first day of the requested leave are eligible to take leave under the federal Family and Medical Leave Act (FMLA).

A. Twelve Weeks of Leave Eligibility

Eligible employees may request up to twelve weeks of unpaid leave (1) for the birth or adoption of a child by the employee, (2) for the placement of a foster child with the employee, (3) for the physical or psychological care for a seriously ill parent, spouse, or child of the employee, (4) for the care of the employee's own serious physical or mental condition, or (5) to deal with any "qualifying exigency" related to a spouse, son, daughter, or parent being notified of an impending call or order to active military duty or who is already on active duty, or during the deployment of the service member with the Armed Forces to a foreign country.

These twelve weeks may be taken in a rolling twelve-month period measured backward from the date an employee uses an FMLA leave.

"Qualifying exigencies" may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings, plus activities that the employer agrees should be covered.

B. Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic health condition. Other conditions may meet the definition of continuing treatment.

A family member with a serious health condition is defined as a parent, child or spouse who has a physical or mental condition that warrants the employees participation during the period of medical treatment.

C. Twenty-Six Weeks of Leave Eligibility (Military)

Eligible employees may request up to twenty-six weeks of unpaid leave in a rolling twelve-month period to care for a spouse, parent, son, daughter or next of kin who is a covered service member who has been injured or is recovering from an injury incurred while on active military duty; or who is a veteran undergoing medical treatment, recuperation, or therapy for a serious injury or illness that was incurred by or aggravated while on active duty in the Armed Forces, provided that the military service occurred within five years before the treatment, recuperation or therapy began.

“Next of kin” is defined as the closest blood relative of the injured or recovering service member who is undergoing such medical treatment, recuperation or therapy as outlined in the FMLA.

“Covered service member” means a member of the Armed Forces who is (1) undergoing medical treatment, recuperation, or therapy, (2) on outpatient status, or (3) on the temporary-disability retired list for a serious injury or illness.

A “covered service member” for the purposes of seeking “caregiver” leave also includes a veteran suffering from a serious injury or illness incurred by or aggravated while on active duty in the Armed Forces, which service occurred no more than five years before the member began treatment, recuperation or therapy.

All FMLA leave taken in a rolling twelve-month period measured backward from the date an employee uses an FMLA leave will be counted toward the employee’s annual leave entitlement.

D. Intermittent Leave

Intermittent leave or reduced-schedule leave means leave taken in separate blocks of time due to a single illness or injury, and may only be taken for a serious health condition of an eligible employee, the employee’s child, spouse, or parent, or because of the need for service member caregiver leave when medically necessary.

Intermittent leave may also be taken for “qualifying exigency” leave, provided the employer is provided with such notice as is reasonable and practicable. Employees must make reasonable efforts to schedule leave for planned

medical treatment so as not to unduly disrupt the employer's operations. When an employee takes intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, the employer may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

E. Medical or Other Certification

A health-care provider's certification is required in cases of serious health conditions, whether the employee's or that of the employee's spouse, child, or parent. It is also required where the leave is for care of a covered service member or in cases of a qualified exigency as permitted by law. The employer also reserves the right to require, at its own cost, a second, or even third, medical opinion. Forms can be obtained from the Diocese.

If spouses are employed by the same employer, they can together take a combined total of twelve weeks FMLA leave (1) for the birth of the employee's son or daughter or to care for the child after birth, (2) for the placement of a son or daughter with the employee for adoption or foster care, or (3) to care for a sick parent. In the case of service-member caregiver leave, the spouses both employed by the employer may take together a combined total of twenty-six weeks of FMLA leave. However, to the extent the requested leave covers the birth, adoption or placement for foster care of a child, or care for a sick parent, that portion of both spouses' leave allotment may not exceed twelve weeks.

F. Compensation and Benefits

The FMLA leave of absence is an unpaid leave. However, the employer requires the employee to substitute accumulated, unused paid time off for any FMLA leave requested. By substituting leave, the employee continues to receive pay during the leave, but the unpaid FMLA leave available is reduced. Leaves taken in connection with a disability leave plan or workers' compensation injury or illness run concurrently with any FMLA leave entitlement.

During an approved Family Medical Leave, health benefits will be provided as though the employee had continued to work. If premium contributions are ordinarily required by the employer, the employee should arrange with the

payroll office to submit timely monthly payments for the employee's portion of the health insurance premiums. To the full extent allowed under the FMLA, the employer reserves the right to recover health insurance premiums from an employee who fails to return to work at the end of an FMLA-qualifying leave.

Benefits that operate on an accumulation basis (such as paid time off) on the basis of actual hours worked will not accumulate during an FMLA leave, nor will the employee be entitled to paid holidays and "miscellaneous absences" during the leave.

G. Application

As soon as an employee knows of the need for an FMLA leave, the employee must submit to the employer a completed leave request form. When possible, thirty days' notice is required. In the event of any emergency, the request should be submitted to the employer not later than forty-eight hours following the commencement of the injury, illness, disability, or qualifying exigency. If the employee cannot personally contact the employer, the employee should have someone contact the employer on behalf of the employee. An employee must provide sufficient information for the employer to determine whether the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. An employee also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified.

The employer will inform an employee who requests leave whether the employee is eligible under the FMLA. If the employee is, the notice of eligibility will specify any additional information required, as well as the employee's rights and responsibilities. If the employee is not eligible, the employer will inform the employee, and provide a reason for the ineligibility. An employee will be informed if the leave will be designated as FMLA-protected leave and the amount of leave counted against the employee's leave entitlement, if possible based on the information provided.

During a leave the employee must keep the employer informed of the employee's status. The employee is required to report status, current location, intent to return, and expected date of return to the employer every thirty days unless there is a longer duration on the certification provided by the employer.

The employer may require re-certification of a serious health condition.

H. Return From Leave

At the end of an FMLA leave, an employee will usually be restored to the same position or to an equivalent position, with equivalent pay, benefits, and other employment terms and conditions. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave. However, the returning employee is subject to the business circumstances or conditions (such as layoffs) that would have applied to the employee if the employee had been working. Under limited conditions, certain "key employees" (eligible employees who are among the highest paid ten percent of the employer's employees employed within seventy-five miles of the worksite) may not be reinstated. Key employees will be provided appropriate notices of this status and reinstatement in accordance with the FMLA.

Failure to return to work on schedule will be considered a voluntary termination of employment, effective at the close of work on the second day after a failure to report for work. To protect the employee's status with the employer, the employee should follow all procedures for reporting back to work after the FMLA leave of absence.

Upon returning to work after an FMLA leave of absence because of the employee's own serious health condition, the employee must submit a physician's certification that the employee is physically able to return to work. Failure to submit such documentation may delay or prevent return to work.

An employee on FMLA leave may not be employed by anyone other than the employer.

VI. PROHIBITED HARASSMENT

The purpose of this policy is to promote and insure a Christian professional and supportive work environment for all employees and volunteers that is free from physical, psychological, or verbal intimidation and harassment based on any characteristic that is protected by applicable law. The employer intends that each employee and volunteer maintain and further develop attitudes and behaviors that express respect for others reflective of each person's God-given dignity.

The employer prohibits any form of unlawful harassment on the basis of age, sex,

religion, marital status, race, disability unrelated to the ability to do the essential functions of the job, national origin, color, height, weight, health history, genetic background, or status in any group protected by state or federal law ("prohibited harassment"). A fundamental policy of the employer is that the workplace is for work. The goal of the employer is to provide a workplace free from tensions involving matters that do not relate to the work of the employer. In particular, an atmosphere of tension created by non-work related conduct, including racial, ethnic, or sexual remarks, animosity, or other such conduct, does not belong in the workplace.

Prohibited harassment is verbal or physical conduct or communication based on a protected characteristic when: (i) submission to such conduct or communication is made either explicitly or implicitly a condition of a person's employment or education, (ii) submission to or rejection of such conduct or communication is used as the basis for employment or educational decisions, (iii) such conduct or communication has the purpose or effect of substantially interfering with a person's work or school performance, or (iv) such conduct or communication has the purpose or effect of creating an intimidating, hostile, or offensive working or educational environment.

Sexual harassment is specifically defined as harassment of a sexual nature that includes unwelcome sexual advances and requests for sexual acts or favors, with or without accompanying promises, threats, or reciprocal favors or actions. Sexual harassment can include, but is not limited to, improper physical contact, lewd or sexually suggestive comments, off-color language, leering, jokes of a sexual nature, slurs, and display, transmission, or known possession of sexually explicit material. It can involve words or actions by any member of our community, directed against any other member of our community (or, in some circumstances, our guests and visitors).

If a person believes himself or herself to have been subjected to prohibited harassment, the person must contact the pastor, pastoral coordinator, principal, or agency director (as the case may be) without delay. If a person believes himself or herself to have been subjected to prohibited harassment by the pastor, pastoral coordinator, principal, or agency director (as the case may be), the person should contact the Victim Assistance Coordinator, (888) 308-6252, or the Chancellor, (517) 342-2454, of the Diocese of Lansing without delay. Suspected incidents of prohibited harassment may be reported orally or in writing.

A report of prohibited harassment will be promptly and thoroughly investigated. The facts will determine the response of each allegation. Substantiated acts of prohibited

harassment will result in appropriate disciplinary action up to and including termination or expulsion. All information regarding a specific incident will be kept confidential to the extent possible under law, and consistent with doing a thorough investigation. Retaliation for a report of prohibited harassment likewise will result in appropriate disciplinary action up to and including termination or expulsion.

If a person who reports prohibited harassment or a person against whom such a report is made is dissatisfied with the outcome of the investigation, the person should contact the Victim Assistance Coordinator, (888) 308-6252, or the Chancellor, (517) 342-2454, of the Diocese of Lansing. If a person is dissatisfied with the outcome of an investigation undertaken in the first instance by the Victim Assistance Coordinator or by the Chancellor, the person should contact the Bishop in writing.

VII. CHANGES IN EMPLOYMENT STATUS

A. Promotions and Transfers

Promotions are at the discretion of the employer, consistent with the at-will employment relationship, but generally will be based on meritorious work in one's present position, as well as possession of the general qualifications and competence for the position under consideration. Promotions are effective when recommended in writing by the immediate supervisor and subsequently approved. (A copy of this recommendation will be placed in the employee's personnel file.)

From time to time, vacancies or new positions become available. To fill these positions with qualified individuals, the employer may, in its discretion, choose to post the position on bulletin boards and advertise it publicly. A current employee who is interested in a vacant position is welcome to apply for consideration and transfer. Prior service time with the employer and excellent work record are among the factors that could favor an employee over an outside applicant.

Although employees are hired into a particular office and position, occasionally the overall staffing needs of the employer require the transfer of an individual to another office or position. In such cases, and in consultation with the affected parties, transfers will be at the discretion of the employer.

B. Demotion

Demotion is removal from a particular position to a position of lesser responsibility and pay. A demotion could occur as a result of a decision by either the employer or the employee, or it could be a mutual decision. The employer has the discretion to demote an employee at any time, for any reason or for no reason.

C. Disciplinary Procedures

In order to properly manage its business affairs, the employer reserves the discretion to address unacceptable work behaviors and to provide a corrective process for employees who are experiencing a job performance problem or demonstrating behavior that is disruptive to the operations of the employer. In some instances, the best system for correcting undesirable performance or conduct is progressive discipline. Therefore the employer may proceed through oral cautions, written reprimands, and possible suspension before termination. Such a process can give an employee both time and guidance in correcting a work-related performance issue. However, the employer retains the full discretion inherent in the at-will employment relationship, which includes the right to bypass some or all steps of progressive discipline, or to substitute other responsive actions.

Written discipline should state clearly the nature of the offense and the facts constituting the offense. The writing should state the date, time, and place of the offense. A copy of all written discipline must be provided to the employee and also placed in the employee's personnel file. For serious disciplinary concerns, a copy of the written discipline should be forwarded to the Chancellor of the Catholic Diocese of Lansing.

D. Termination of Employment

1. Resignations — An employee has resigned if he or she voluntarily chooses to leave employment. Absence for three consecutive work days without notifying the supervisor is also considered a resignation. In the case of a voluntary decision to leave employment, the employee is requested, as a matter of professional courtesy, to notify the supervisor of the intent to resign at least two weeks prior to actual resignation. Failure to provide proper notice of resignation will result in forfeiture of any unused vacation pay.

2. Retirement — An employee has retired if he or she leaves employment in accordance with an applicable retirement program. In situations where an employee is qualified for and is considering retirement, the employee should follow the same notification schedule as noted above in the discussion of resignations. In addition, the employee should contact the Michigan Catholic Conference to secure the necessary forms to apply for pension benefits.
3. Layoff — An employee is laid off if he or she is removed from a position due to operational considerations. A layoff can be temporary or permanent. If a layoff takes place, the employer in its sole discretion will determine who is to be laid off. In determining whom to lay off, the employer may, but need not, consider need for the position, job performance, qualifications, and service time with the employer. An employee who has been laid off with the intent that the layoff is temporary could be rehired when reorganization or expansion makes hiring feasible.
4. Elimination of Position — An employee's employment will cease if his or her position is eliminated. The decision to eliminate a position is within the sole discretion of the pastor, pastoral coordinator, principal, or agency director (as the case may be). Depending upon the circumstances, and in the sole discretion of the employer, appropriate notice and/or an appropriate severance package may be provided to the employee.
5. Dismissal — An employee is dismissed if employment is terminated at the employer's discretion. The decision to dismiss an employee shall be made by the pastor, pastoral coordinator, principal, or agency director (as the case may be). Depending upon the circumstances, and in the sole discretion of the employer, appropriate notice and/or an appropriate severance package may be provided to the employee.
6. Basis of Dismissal — Employment with the employer is at-will. This means that, just as any employee may terminate his or her employment with the employer at any time, for any reason or for no reason, so may the employer terminate the employment of an employee at any time, for any reason or for no reason. However, as a practical matter, most dismissals are caused by the employee's performance problems or failure to meet behavioral expectations. The following is a list of examples of the kinds of behaviors that may result in immediate

dismissal:

- a. Failure to perform adequately in the job classification.
 - b. Malpractice, malfeasance, or unethical practice.
 - c. Theft, fraud, embezzlement, or dishonest record-keeping.
 - d. Lying to a supervisor.
 - e. Flagrant misconduct, including but not limited to insubordination, intimidation, harassment, unprofessional conduct, or violation of the substance-abuse or prohibited-harassment policies.
 - f. Clear and present danger to the person or property of others.
 - g. Behavior or advocacy that is contrary to the teachings of the Catholic Church.
 - h. Breaches of confidentiality, including without limitation disclosure of Social Security numbers, or of confidential medical, psychological, counseling, or educational information.
 - i. Political activity that improperly entangles the employer or that improperly uses the employer's time, facilities, properties, or assets.
 - j. Conviction of a "listed offense" under the Sex Offenders Registration Act, MCL 28.722(e), or of an offense that is incompatible with continued employment.
 - k. Repeated failure to notify supervisor of absences.
 - l. Failure to abide by the employer's policies and rules.
 - m. Bullying, taunting, stalking, or similarly harassing or demeaning a fellow employee or volunteer.
7. Termination Benefits — Upon termination, an employee is eligible for any salary earned but not yet received, and any vacation earned but not

yet taken.

8. No Right to Recall — A employee who has been laid off does not have an enforceable right to be recalled to the job at a later time, even if the original reason for the layoff has been resolved.
9. Exit Interview — When an employee ceases to be employed by the employer, the employer may conduct an exit interview.

VIII. SETTLING DISPUTES AND GRIEVANCES

Concern for the dignity of the person is inherent in the Church's mission as a witness to the Gospel. Scripture teaches us to settle our disagreements within the Church community, taking care that our efforts are imbued with the spirit of love.

The employer uses several methods of settling disputes through due process. Depending on the circumstance, they may include internal review, Diocesan review, conciliation, and arbitration. It is hoped that nearly all disputes can be resolved through informal means. It is our belief that persons of good will can usually resolve disputes through honest communication between the parties involved.

If the problem is not resolved through internal review, the next step is Diocesan review, which may include conciliation. Conciliation is more formal and time consuming. It also involves the input of a third party.

Further, in those rare instances where individuals are unwilling or unable to resolve disputes cooperatively, arbitration may be available. In arbitration, a neutral decision-maker will issue a binding decision in the context of a formal hearing on the merits of a grievance. While the employer prefers to resolve disputes amicably, arbitration provides a fair, private, expedient, and relatively cost-effective method of resolving disputes as compared to litigation in state or federal courts.

The employee or the employer may request arbitration, which will take place only if mutually agreeable. The employee does not have an enforceable right to internal review, Diocesan review, or conciliation, each of which can be omitted or modified if, in the sole discretion of the employer or the Catholic Diocese of Lansing, circumstances warrant such omission or modification.

A. Allowable and Unallowable Disputes

Allowable disputes include claims by an employee that a person or

administrative body exercising responsibility on behalf of the employer has violated an employment policy of the employer or has violated the employment laws of the state or federal governments, including laws prohibiting discrimination.

Disputes over the at-will employment relationship, doctrinal matters, internal religious affairs, ecclesiastical matters, and church laws not related to the employment relationship are not subject to this dispute resolution process.

B. Internal Review

Step 1. An employee with an allowable dispute is to first bring the matter to the attention of his or her supervisor within 14 calendar days of the underlying occurrence. This step is understood as being oral and informal. The supervisor is required to address the issue as soon as reasonably possible and, if a response is not immediately given, shall inform the employee of when a response will be provided.

Step 2. If the employee is not satisfied with the supervisor's response or if the supervisor has not responded within the stated time frame, the employee may reduce the complaint to written form identifying the specific policy alleged to have been violated and provide the written complaint to the pastor, pastoral coordinator, principal, or agency director (as the case may be). That individual should respond in writing within 14 calendar days.

C. Diocesan Review

If the employee is not satisfied with the outcome of the internal review, the employee may forward a copy of the written complaint and the local unit's written response to the Chancellor, who will determine whether to set aside the decision made locally. The Chancellor may delegate the matter to an appropriate Diocesan official. The Chancellor or his delegate will resolve the complaint within a reasonable period of time. The Chancellor or his delegate will uphold the decision of the pastor, pastoral coordinator, principal, or agency director (as the case may be) unless the decision violates law or policy, or unless the decision is clearly unreasonable.

Alternatively, the Chancellor may send the dispute to a conciliation process. Also, the employee may request conciliation at this stage, though such a request is not binding on the employer. Conciliation can occur only if both sides agree to the process, agree to the ground rules for conciliation, and agree

regarding the identity of the conciliator. Ordinarily, the Chancellor or his delegate will propose one or more conciliators for the employee to consider. Only those matters that have been processed through the internal review process and that substantially affect a term or condition of employment will be subject to the process of conciliation. Conciliation will be informal and expeditious, and will occur in conformity with ground rules acceptable to the Diocese, the employer, the employee, and the conciliator.

D. Arbitration

Arbitration is available as an alternative means of dispute resolution for allowable disputes. It will occur if agreeable to the employee, the employer, and the Diocese of Lansing. Arbitration will be conducted by a mutually agreeable arbitrator and will be conducted under mutually agreeable rules. Among the sets of rules on which the parties might choose to agree are the Michigan Court Rules and, by analogy only, the rules of the American Arbitration Association.

A demand for arbitration must be made within the **shorter** of the following two deadlines: (1) the applicable statute of limitations, or (2) 180 calendar days after the occurrence of the event precipitating the demand, claim, or suit.

An arbitrator may order reasonable discovery, issue subpoenas and can grant any relief available through the applicable statute.

The arbitrator's award shall be in writing and shall contain findings of fact and conclusions of law.

Only those claims that would otherwise be litigated in state or federal court and only those claims that are brought within 180 days of the event giving rise to the claim will be arbitrable. **An employee should be mindful that the 180-day limitation period is not tolled (not stopped or delayed) by recourse to any of the other review procedures outlined in this handbook.**

Unless otherwise provided by law or agreement of the parties, the cost of an arbitration will be divided equally between the employee and the employer.

An arbitrator's decision shall be final and binding on the parties and shall be entered as a judgment between the parties in a court of competent jurisdiction, which typically will be the Thirtieth Judicial Circuit for the State of Michigan (Ingham Circuit Court).

E. Limitation Period

An employee is obliged to bring **any** demand, claim, or suit within the **shorter** of the following two deadlines: (1) the applicable statute of limitations, or (2) 180 calendar days after the occurrence of the event precipitating the demand, claim, or suit. Any time limit to the contrary, including any longer time limit, is waived.

ACKNOWLEDGMENT

I acknowledge that I have received a copy of the April 1, 2011 “Catholic Diocese of Lansing Employee Handbook,” governing employment with the Diocese or with parishes, schools, and agencies of the Diocese. The Handbook, which may be amended from time to time, outlines my privileges and benefits, as well as my responsibilities and obligations as an employee, and I understand that I am bound by these responsibilities and obligations.

I understand and agree with the provisions of the Handbook, which include, but are not limited to, the following six items —

1. My employment is “at will,” meaning that my employment can be terminated at any time, by me or my employer, for any reason or for no reason.

2. My employer is a Roman Catholic religious institution and the nature of my employment will be considered to be ministerial unless I work exclusively in the realms of finance (such as accounting or bookkeeping) or physical property (such as a position of custodian, maintenance worker, etc).

3. In both personal and professional life, I must exemplify the moral teachings of the Catholic Church. I must not teach, advocate, model, or in any way encourage beliefs or behaviors that are contrary to the teachings of the Catholic Church.

4. The Catholic Diocese of Lansing, or the parish, school, or agency that employs me may, without notice or cause, conduct an initial or updated background check on me at any time for any reason or no reason.

5. Any previously signed arbitration agreement, providing that arbitration is the exclusive remedy for employment disputes, is void.

6. I understand that I must bring any demand, claim, or suit within the shorter of the following two deadlines: (1) the applicable statute of limitations, or (2) 180 calendar days after the occurrence of the event precipitating the demand, claim, or suit. Any time limit to the contrary, including any longer time limit, is waived.

Printed name of Employee

Name of parish, school, or agency

Signature of Employee

Date