

PERSONNEL HANDBOOK

DIOCESE OF SACRAMENTO



OFFICE OF THE BISHOP

DIOCESE OF SACRAMENTO

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December 7, 2009

Dear Co-Workers in Christ:

The people of God of the Diocese of Sacramento have been entrusted to my pastoral care as their Bishop. You are not simply an employee of a church institution; you are a collaborator with me in the ministry and service of the Body of Christ in the Diocese of Sacramento.

Although duties and responsibilities vary, we all share a common mission to spread the Gospel of Jesus and to build up the Catholic Church in this Diocese. As employees of the Diocese, you will be challenged to model in your life the values and beliefs that mark us as Catholics. I rely upon you to help me care for all our brothers and sisters in the community of faith as well as offer an authentic witness of Christian discipleship.

The purpose of this handbook is to give you the information necessary to fulfill your responsibilities. I urge you to read it carefully.

Please know that I appreciate the commitment you make to the Church by your service to our diocese. It is my hope that as an employee you will always seek to achieve the goals we set and that you will work together with others to model the harmony and unity which is essential to the mission of the Church.

Respectfully,

A handwritten signature in black ink, appearing to read "Jaime Soto", written over a horizontal line.

+JAIME SOTO
Bishop of Sacramento

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CHAPTER I: INTRODUCTION AND OVERVIEW

1.0 INTRODUCTION TO THIS HANDBOOK

This Handbook sets forth the policies of the Diocese of Sacramento applicable to all lay employees working in organizations subject to the episcopal authority of the Bishop. Thus, wherever the term "Diocese" appears in this Handbook, it is used in the collective sense and is intended to apply to lay employees in parishes, schools and preschools, agencies, and departments. The only exceptions to the scope of the Handbook are (1) where a particular workplace has received written approval from the Bishop to prepare modifications to this policy based on its particular needs, or (2) where the employee is working pursuant to a written contract or collective bargaining agreement, and the provisions of that contract or agreement are different from those in the Handbook.

Given the diversity of workplaces in the Diocese, it would be impossible in a single handbook to address every situation or answer every question about employment with the Church. This Handbook, therefore, is designed to acquaint employees with the Diocese's policies as an employer, to provide them with information regarding their privileges and responsibilities as employees, and to help each employee carry out his or her employment duties in a manner consistent with the teachings and traditions of the Roman Catholic Church. It is important, therefore, that all employees read, understand, and follow the provisions of this Handbook, both in its current form and as it may be amended from time to time, by official notice in writing.

This Handbook replaces all earlier versions, policies, and procedures. While this document may be translated into languages other than English for the convenience of employees, the English translation shall prevail in its administration.

2.0 MISSION AND PHILOSOPHY OF THE DIOCESE

Mission Statement of the Diocese of Sacramento

We, the People of God of the Roman Catholic Diocese of Sacramento, guided by the Holy Spirit, are called by Christ to proclaim the Good News of the Kingdom of God through prayer, praise and sacraments and to witness the Gospel values of love, justice, forgiveness and service to all.

As Catholics, we believe that all persons are called by God to contribute to the sanctification and transformation of the world, by fulfilling their own particular duties in the spirit of the Gospel and Christian discipleship. Working in the Church is one path of such Christian discipleship, and those who work for the Church continue, in a very real way, the mission and ministry of Christ. As St. Paul recognized many centuries ago, the life and growth of the Church, and the spreading of the Gospel, depends upon the men and women he often called "My co-workers in Christ Jesus" (Rom 16:3-16).

Each individual lay employee who works and ministers in the name of the Church, therefore, must stand before the world as a witness to the life and resurrection of the Lord Jesus. The Diocese, in its role as an employer, expects all employees to, by word, deed, and conduct, advocate and support the positions and beliefs of the Roman Catholic Church, and to be guided by such principles as:

- To respect the dignity of each person as one called by God and made in God's image and likeness;
- To strive to inculcate Gospel values in every aspect of work;
- To keep an open mind, to collaborate with and respect the ideas of others, to support leadership, and to make the common good a priority; and
- To contribute by personal example to a climate of faith and to serve others in a spirit marked by hospitality, compassion, and prayerful support.

Employees who are Catholic are expected to be faithful to the Roman Catholic Church and adhere to the teachings of the Church in their lives. Recognizing that non-Catholic employees are called by the Lord to stand before the world as a witness to His life, non-Catholic employees are also expected to have an understanding of the Catholic Church and to refrain from actions that are contrary to the teachings of the Church. If non-Catholic employees wish to consider coming into full communion with the Church, the Diocese will welcome and assist them with that process. Non-Catholic employees interested in the profound and joyous experience of becoming Catholic are encouraged to ask their individual supervisor or pastor for information about the Rite of Christian Initiation for Adults (RCIA).

The Diocese encourages all employees to participate in programs of enrichment and education for their personal faith development (e.g., spiritual retreats, days of renewal, workshops, etc.).

3.0 EMPLOYMENT POLICY

3.1 General Hiring Policy: Consistent with the mission and ministry of the Roman Catholic Church, the Diocese of Sacramento adheres to the following hiring policy:

Catholic Lay Employees: Lay employee positions in the Diocese of Sacramento shall, in general, be filled by laypersons who are faithful Catholics, who exemplify the teachings of the Church in their personal lives and practices, and who are in good standing with the Church.

Participation by Non-Catholic Employees in the Works of the Church: Non-Catholic applicants who wish to share in the mission of the Church may be

employed when no qualified Catholic applicant is available to fill the position and good faith efforts have been made to recruit qualified Catholic applicants for an open position. Non-Catholic applicants must, as a condition of employment, acknowledge that they understand that they will be employed by a Catholic religious institution, agree to conduct their public activities and relationships in a manner that is compatible with the teachings and missions of the Church, and affirm that they generally share the Catholic religious perspective on issues of conduct and morality.

Pastoral Support: The Diocese of Sacramento implements processes and procedures to extend full pastoral care and support for any lay employee desiring to regularize his or her personal relationships and standing with the Church. Pastors and diocesan supervisors shall take reasonable and pastorally appropriate efforts to extend pastoral outreach services to any Diocesan employee seeking assistance with regard to regularizing their relationships and standing with the Church.

Nondiscrimination In All Other Respects: Except as it is permitted by virtue of its status as a Church, the Diocese will otherwise recruit, employ, promote, transfer, grant increases or decreases in rates of pay or other compensation, select for training, and discharge employees without unlawful discrimination under applicable law.

3.2 At-Will Employment: Employment with the Diocese is at-will. This means that employment may be terminated at any time, by the Diocese or the employee, with or without notice, with or without cause. With limited and specific exceptions (relative to teachers and principals at diocesan schools, extended day care directors, and certain Catholic Cemeteries Department employees), no one other than the Bishop of Sacramento has the authority to alter the Diocese's at-will employment policy, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Furthermore, any such agreement (other than for the exceptions noted above) must be in writing and signed by the Bishop.

3.3 Canon Law / Church Teachings: Catholic employees are subject to the provisions of the law of the Catholic Church, as delineated in the *Code of Canon Law*. The text of the *Code of Canon Law* can be accessed via the Internet, at <http://www.vatican.va/archive/cdc>.

CHAPTER II: GENERAL CONDITIONS OF EMPLOYMENT / OPERATIONAL POLICIES

4.0 TYPES OF EMPLOYMENT

- 4.1 Regular Full-Time** employees are regularly scheduled to work 35 or more hours per workweek. Regular full-time employees are entitled to diocesan employee fringe benefits, unless otherwise agreed to in writing, subject to the eligibility requirements for any particular plan or program.
- 4.2 Regular Part-Time** employees are regularly scheduled to work at least 20 but fewer than 35 hours per workweek. Regular part-time employees are eligible for diocesan employee fringe benefits, prorated based on a 35-hour-per-week work schedule, subject to the eligibility requirements for any plan or programs.
- 4.3 Occasional Part-Time** employees work less than 20 hours per workweek and are not eligible for diocesan employee fringe benefits, other than those benefits required by law.
- 4.4 Contracted Diocesan Employees** (teachers and principals at diocesan schools, extended day care directors, and certain employees of the Catholic Cemeteries Department) work pursuant to the terms and conditions of a written contract or collective bargaining agreement. Such employees are entitled to employee fringe benefits as set forth in the terms of their agreements, but all matters not addressed by those documents are governed by the provisions of this Handbook. School employees should also refer to those portions of the Catholic School Administrative Handbook that address personnel policies and procedures unique to school employment.
- 4.5 Temporary** employees are hired for a limited duration, generally not to exceed six months, for a special project or in an emergency situation. Temporary employees are not eligible for diocesan employee fringe benefits, other than those benefits required by law.

5.0 NEW EMPLOYEE ORIENTATION

At the time of hire, each employee will be provided with a copy of this Employee Handbook and will be required to complete and sign the appended acknowledgment forms. Each employee is responsible for reading and being familiar with the Handbook and is expected to use it as a guide while employed by the Diocese. Questions concerning the Handbook or these policies may be directed to the employee's supervisor or the Office of Lay Personnel.

Each new employee will also be given an opportunity to learn about the Diocese and about his or her new position, typically through orientation meetings conducted during the first few weeks of employment. As part of the orientation process, the employee will be provided with general information on the mission, beliefs, and practices of the Catholic Church, as well as information about the Diocese and its policies, procedures, benefit programs, and services.

6.0 JOB DESCRIPTIONS

Every position has a job description outlining the essential functions, responsibilities, duties, and qualifications for the position and the job description may be revised periodically to reflect changed duties for that position. This description is the basis for completing the expected tasks of the employee's position and serves as a reference point for training and evaluation. A copy of the job description will be provided to a new employee at the time of hire. From time to time, job descriptions may be changed (with or without notice and with or without change in compensation), additional job responsibilities may be assigned, and positions may be reassigned or transferred.

7.0 WORK HOURS

Employees are expected to work according to the schedule provided to them by their individual supervisor. As a general rule, regularly-scheduled office hours should not be interrupted by personal or medical appointments. When an appointment must be scheduled during office hours, the employee should consult with the supervisor for approval of the time arrangements.

8.0 FINGERPRINTING

Consistent with both California law and the Charter for the Protection of Children and Young People adopted by the U.S. Conference of Catholic Bishops, employees that are hired to positions that entail regular contact with minors, including supervisory or disciplinary contact, are required to obtain fingerprint (criminal background check) clearance through the California Department of Justice. Fingerprinting is also required for individuals who move from a job at one parish to a job at another parish, or from a position that does not involve contact with minors to one that does.

9.0 PERSONNEL FILE

An official personnel file will be maintained for each employee. Each employee has the right to inspect the personnel records that the Diocese maintains relating to the employee's performance or to any grievance concerning the employee. Inspection of such records will be permitted upon written request of the employee to (1) the Office of Lay Personnel, if the employee works at the Pastoral Center, or at a non-parish site, or (2) to the Pastor or Principal, if the employee works at a parish or school. Inspections of records will take place at a reasonable and mutually-agreeable time.

10.0 EXTERNAL EMPLOYMENT

Employment by the Diocese generally does not prevent employees from engaging in additional lawful employment. A diocesan employee may not, however, (1) engage in any employment that would result in a conflict of interest for that employee that would in any manner bring disrepute upon the Diocese, constitute scandal, or otherwise conflict with the moral and theological teachings of the Roman Catholic Church, or that detrimentally impacts the employee's job performance; or (2) enter into an independent contractor relationship with any diocesan entity. Employees are required to report any external employment to their supervisor, for determination of whether a conflict of interest exists.

11.0 WORK ASSIGNMENT OF RELATIVES

For reasons of supervision and morale, the Diocese prohibits the assignment of relatives in the same department. "Relatives" are defined as mother, father, sister, brother, child, stepmother, stepfather, stepsister, stepbrother, stepchild, niece, nephew, cousin, aunt, uncle, grandparent, grandchild, and in-laws within these categories. For the same reasons, spouses of employees may not be employed under their spouse's supervision nor in the same office within a particular secretariat.

Employees who marry or who become related by marriage may continue their work assignment if they do not work in a direct supervisory relationship or otherwise present supervisory, safety, security, or morale problems. If such problems occur, the Diocese will attempt to reassign one or both employees to an available position for which they are qualified. However, if such a position is not available, one of the employees may be asked to resign.

12.0 NON-FRATERNIZATION POLICY

Close personal or social relationships between employees have the potential to result in misunderstandings, complaints of favoritism, possible claims of sexual harassment, and employee morale problems. Accordingly, employees must not fraternize or become romantically involved with other employees where such a personal relationship may create a potential conflict of interest, cause disruption, create a negative or unprofessional work environment, or present concerns regarding supervision, safety, security, or morale.

13.0 SOLICITATION / DISTRIBUTION OF LITERATURE

In order to maintain a proper atmosphere at each diocesan workplace, solicitations and distribution of literature on diocesan property are subject to the following policies:

Solicitation: No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the employee or employees at whom such activity is directed where the solicitation is for the personal or commercial gain of the individual employee. Although solicitations by an employee for charitable purposes (youth sports candy sales, Girl Scout cookies, school fundraising sales, and the like) are generally permissible, such activity may be restricted in any instance in which it interferes with or disrupts the workplace.

Distribution of Literature: No employee shall distribute or circulate any written or printed material in work areas at any time, or during his or her working time or during the working time of the employee or employees at whom such activity is directed. Any such solicitation, promotion, or distribution must be done during break and lunch periods only and must be confined to a break room and bulletin boards. Placement of any material on the bulletin boards requires prior approval from the employee's supervisor. No distributions to individuals in their work area or parking lot leafleting are permitted.

14.0 PERFORMANCE REVIEWS

Employees will receive periodic performance reviews. The review will be conducted by the employee's supervisor who will discuss it with the employee. The first performance review follows completion of the employee's initial 90 days of employment. After that review, performance reviews will be conducted approximately annually, with the frequency of the reviews varying depending upon length of service, job position, past performance, changes in job duties, or recurring performance issues.

Performance reviews may review factors such as the quality and quantity of the work performed, knowledge of the job, initiative, communication skills, and adaptability. The performance reviews are intended to help the employee become aware of his or her progress, areas for improvement, and objectives for future work performance. Positive performance reviews do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of the supervisor and/or pastor and depend upon many factors in addition to performance. After the review, the employee will sign the review form to acknowledge its receipt, that it has been discussed with the supervisor, and that the employee is aware of its contents. A copy of the review will be placed in the employee's personnel file.

15.0 DIOCESAN FACILITIES POLICIES

Security: The security of all church facilities, as well as the welfare of employees, requires that every individual be constantly aware of potential security risks. An employee should immediately notify a supervisor when unknown persons are acting in a suspicious manner, in or around the facilities, or when keys are lost or misplaced.

Smoking Policy: Smoking is permitted only in designated areas on diocesan or parish premises.

Housekeeping issues: All employees are expected to keep their work areas clean and organized. Common areas such as conference rooms, lunch rooms, and restrooms should be kept clean by those using them. Employees are asked to clean up after meals and dispose of trash properly. The presence of personal decorations, such as pictures and plants, is permitted as long as it does not detract from overall office appearance or working conditions, as determined by the supervisor. The Diocese is not responsible for loss of such personal possessions through fire, theft, or other loss, so employees are encouraged not to bring items of monetary or personal value to work.

Lactation Accommodation: Employees who wish to express breast milk while at work may request the opportunity to do so. Supervisors will make efforts to accommodate such requests by allowing employees to express breast milk in a private area. Where such arrangements are made during an employee's normal rest period, the time will be paid. If special arrangements are made to provide a non-exempt employee extra time beyond or in addition to her normal rest period, the time may be unpaid.

16.0 TERMINATION OF EMPLOYMENT

Employment with the Diocese is considered at-will, which means that either the employee or the Diocese may terminate the employment relationship at any time, with or without notice, for any reason. Some of the ways an employee's service with the Diocese can end are as follows:

16.1 Voluntary Resignation by Employee: Though an employee may resign at any time, with or without notice, the Diocese requests that exempt employees who voluntarily resign give at least one month's advance written notice of their intent, and specify the anticipated last work day. As much additional notice as possible is appreciated in order to assure adequate time to secure qualified replacement. Non-exempt employees are asked to give at least two weeks advance notice prior to voluntary resignation.

16.2 Involuntary Termination: Dismissal: Dismissal refers to termination of employment at the discretion of the Diocese, whether or not any formal system of discipline or warnings is utilized. Employees who are involuntarily terminated will receive any accrued vacation pay and reimbursement for any authorized accrued expenses.

16.3 Reductions in Staffing / Reorganization: Though it is the desire of the Diocese to maintain a stable workforce, there may be times when the Diocese determines that a staff reduction or reorganization is necessary. Such decisions are at the discretion of the Diocese and may be based upon considerations such as priority shifts, the need for reorganization, financial necessity, or other unforeseen considerations or circumstances.

16.4 No Call / No Show: An employee who fails to return to work in a timely fashion after an excused absence, leave, or time off, may be subject to disciplinary action, up to and including discharge. Any employee who is absent for three days without notification will be considered to have voluntarily resigned without notice as of the close of the third day.

17.0 EXIT INTERVIEW

When an employee separates from employment with the Diocese (for whatever reason) the employee's supervisor will meet with the employee to review the matters set forth on the diocesan termination checklist form (Form PT-690). At that time, the supervisor will recover all diocesan property (such as keys and equipment), explain eligibility for continuation of health benefits, and settle any outstanding financial obligations.

18.0 WORK REFERENCES

All requests for references must be directed to the employee's supervisor or, if applicable, the pastor. No other manager, supervisor, or employee is authorized to release references for current or former employees. The Diocese's policy as to references for employees who have left the Diocese is to disclose only the dates of employment and the title of the last position held. If written authorization is received from the former employee, the Diocese will also provide information on the amount of compensation last earned.

19.0 DIOCESAN PERSONNEL FORMS

All diocesan personnel forms referenced herein are contained in a manual that is made available to all parishes and schools of the Diocese. Forms may also be accessed on the Diocese's Internet website, at <http://www.diocese-sacramento.org>.

CHAPTER III. COMPENSATION POLICIES

20.0 PAY CLASSIFICATION

20.1 Nonexempt employees include all those who are covered by the overtime provisions of state and federal law. Employees in this category are entitled to overtime pay for work in excess of 40 hours in a workweek or eight hours in a workday.

20.2 Exempt employees include all those who are classified by the Diocese as exempt from overtime pay under the federal Fair Labor Standards Act and related regulations, the California Labor Code, and the executive, administrative,

or professional exemptions set forth in the Wage Orders issued by the California Industrial Welfare Commission (IWC).

21.0 OVERTIME

Diocesan employees may sometimes be required to work overtime. Non-exempt employees qualify for overtime pay, in accordance with applicable state and federal laws. For purposes of determining which hours constitute overtime, only actual hours worked in a given workday or workweek will be counted. All overtime work must be pre-authorized by the supervisor (see Form PT 510, Extended Work Pre-authorization).

All hours worked by non-exempt employees in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at midnight and ends 24 hours later. A workweek begins each Monday at 12:01 a.m. and ends at 12 midnight the following Sunday. Overtime hours will be compensated at overtime rates, as follows:

- Compensation for hours in excess of 40 for the workweek, or in excess of eight but not more than 12 hours for the workday, will be paid at a rate one and one-half times the employee's regular rate of pay.
- Compensation for hours in excess of 12 in one workday will be paid at double the regular rate of pay.
- Weekend work does not automatically qualify for compensation at an overtime rate of pay. Hours worked on a weekend will be paid at overtime rates only if they qualify as overtime hours under the standards described above.

Exempt employees may have to work hours beyond their normal schedules, or in excess of 40 hours per week or eight per day, as work demands require, but exempt employees will not receive overtime compensation.

22.0 MAKEUP TIME

The Diocese allows each nonexempt employee who misses scheduled work as a result of personal obligations to request the opportunity to make up the amount of time missed on another day in the same workweek. Under this policy, employees may take time off and then make up the time later in the same workweek, or may work extra hours earlier in the workweek to make up for time that will be taken off later in the workweek. Requests will be considered for approval based on staffing needs at the time.

A makeup time request is made by submitting a signed diocesan form (Form PT-505) to the employee's supervisor. If an employee requests time off that will be made up later in the week, the request must be submitted at least 24 hours before the desired time off. If the employee asks to work makeup time first, in order to take time off later in the

week, the request must be submitted at least 24 hours before working the makeup time. The makeup time request must be approved in writing before taking the requested time off or working makeup time.

All makeup time must be worked in the same workweek as the time taken off. Employees may not work more than 11 hours in a day or 40 hours in a workweek as a result of making up time that was or would be lost due to a personal obligation. PLEASE NOTE: Makeup time worked will be paid at the employee's straight-time rate, and not at overtime rates.

In the unlikely event that the employee works extra hours early in a week, but then discovers that he or she no longer needs the time off, the employee will nevertheless be required to take the time off later in the week, so as not to result in a schedule that would require overtime hours during that week.

An employee's use of makeup time is completely voluntary. The Diocese does not encourage, discourage, or solicit the use of makeup time.

23.0 MEAL AND REST PERIODS

All non-exempt employees are provided with an unpaid, meal period of at least 30 minutes in length, on a schedule provided by the employee's supervisor. Non-exempt employees who work an eight-hour shift will also be provided with two 10-minute rest periods per shift, one during the first four hours, and one during the second four hours of the employee's workday. The precise timing of the rest periods will be subject to work schedule and supervisor approval. Employees will be compensated for time spent on rest periods.

Rest and meal periods are intended to provide employees an opportunity to rest. With regard to meal periods, employees will be entirely relieved from duty, should not eat at their desks, and may leave the workplace premises. Employees should, however, be prepared to promptly resume their duties at the end of any rest or meal period.

24.0 TIMEKEEPING

Each non-exempt employee must maintain a time sheet (*Form PT-500*) that includes, for each workday, (1) the time reported to work, (2) time reported out for meal periods, (3) time reported back from meal periods, and (4) time reported off work. The time sheet maintained by non-exempt employees must also include a record of any vacation, sick time, holidays, or other leave days taken during the time sheet period.

The time sheet is a record that the Diocese is required by law to retain and is a tool for making sure each non-exempt employee receives the correct amount of pay. Each employee must therefore maintain complete and legible entries, and must sign and submit completed time sheets to his or her immediate supervisor at the end of each pay

period. No employee is permitted to keep time records for another employee. Failure by an employee to maintain time records reflecting an accurate account of hours worked may result in disciplinary action up to and including dismissal. Only a supervisor may modify or correct time records in the case of any error or omission.

Exempt employees are not required to maintain daily records of hours worked, but must maintain a time sheet with a record of any vacation, sick time, or other leave days taken each pay period (*Form PT-501*), to ensure that the Diocese can accurately track accrued leave balances.

Copies of signed time sheets must be submitted to payroll in accordance with the annual payroll processing schedule distributed by the Diocesan Finance Office. Any necessary adjustments to payroll, including overtime, will be made in the pay period in which the adjustment is entered. Authorizations for adjustments received after the payroll due date will be implemented no later than the next payroll period.

25.0 PAY PERIODS

Employees are paid twice per month, based on pay periods that end on the fifteenth and the last day of each month. If a regular payday falls on a weekend or holiday, employees will be paid on the preceding workday.

26.0 POLICY REGARDING DEDUCTIONS FROM WAGES

General Deduction Policy: State and federal payroll taxes will be withheld from each employee's paycheck, in accordance with state and federal law. These deductions include, but are not necessarily limited to, state and federal income tax, social security tax (FICA), and state Family Temporary Disability (FTDI) and state disability insurance (SDI) taxes. Deductions may also be made for health insurance or other employee benefit premiums elected by the employee.

The Diocese's Policy Against Improper Deductions: Both federal and state law contain requirements regarding minimum wage and overtime compensation. Those laws, however, provide exemptions from overtime pay, and permit the payment of a fixed salary for employees employed as bona fide executive, administrative, or professional employees. To qualify for exemption, employees generally must meet the legal requirements regarding their job duties and salary. Job titles do not determine exempt status.

Salary Basis Requirement: To qualify for exemption, employees must be paid not less than twice the minimum wage in California, based on full time employment (40 hours per week).

Being paid on a salary basis means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The

predetermined amount cannot be reduced because of variations in the quality or quantity of the employee's work. Subject to exceptions listed below, an exempt employee must receive the full salary for any workweek in which he or she performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work. If the employer can make arbitrary deductions from an employee's predetermined salary, that employee is not paid on a salary basis. If the employee is ready, willing and able to work, deductions may not be made for time when work is not available.

Circumstances in Which the Diocese May Make Deductions from Wages: Deductions from pay are permissible: (1) when an exempt employee is absent from work for one or more full days for personal reasons other than sickness or disability; (2) when he or she is absent one or more full days due to sickness or disability, (3) if the deduction is made in accordance with a bona fide plan, policy, or practice of providing compensation for salary lost due to illness; (4) for military pay; or (5) for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions (see the Diocese's policies on workplace conduct and penalties for violations). Also, the Diocese is not required to pay the full salary in the initial or terminal week of employment. In these circumstances, either partial day or full day deductions may be made.

The Policy of the Diocese: It is the policy of the Diocese to comply with the salary basis requirements of federal and state law. Therefore, the Diocese prohibits any improper deductions from the salaries of exempt employees. The Diocese wants employees to be aware of this policy and of the fact that it does not allow deductions that violate applicable law.

What To Do If An Improper Deduction Occurs: If an employee believes that an improper deduction has been made to his or her salary, the employee should immediately report this information to his or her direct supervisor or to the Office of Lay Personnel. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

27.0 GARNISHMENT OF WAGES

If the Diocese receives a court order or notice from federal or state government to garnish an employee's wages, it will have no choice but to comply with that order. Employees should notify their supervisors if they are aware that their wages are to be garnished. The supervisor will notify the employee when a garnishment notice has been received, when it will become effective, and when the terms of the garnishment have been satisfied. All garnishments will be handled in a confidential manner, to the greatest extent possible.

28.0 EXPENSE REIMBURSEMENT

Employees who use their own vehicles for diocesan business, and who provide proper documentation of that use, will be reimbursed at an amount equal to the current mileage deduction rate permitted by the Internal Revenue Service. Employees operating vehicles on diocesan business shall comply with all statutory requirements for the operation of motor vehicles, must have the minimum insurance coverage required by the State of California (\$15,000 for injury or death of one person per accident, \$30,000 for injury or death of two or more persons per accident, and \$5,000 for property damage per accident, or such other amounts as may be set by the Legislature after the printing of this Handbook) and a valid California driver's license, and must keep accurate records of actual reimbursable mileage driven.

Additional expenses connected to business travel (e.g., meals, lodging, etc.) must be approved by the employee's supervisor. Only reasonable expenses will be reimbursed, and they must be documented in writing (e.g., with receipts). Any questions about which expenses will be reimbursed should be resolved prior to incurring the expense, by asking a supervisor or referring to expense reimbursement schedules and the diocesan Guidelines for Travel and Expense, available from the Finance Office or pastor. Claims for reimbursement must be submitted punctually on an appropriate form (*Form FIN 1 (Check Request/Invoice Voucher)* and *Form FIN 2 (Employee Business Mileage Reimbursement Request)*), signed by the employee and approved by his or her supervisor.

29.0 LOANS TO EMPLOYEES

Payroll advances or loans to any diocesan employees are strictly prohibited. Individual parishes are also prohibited from providing private loans to clergy or religious. Clergy or religious in need of a loan should be referred to the Priest Personnel Office or the religious order, respectively, for more information regarding loans.

30.0 WAGE AND SALARY REVIEW

All regular employees who have been employed more than six months may have their salaries or wage rates reviewed as part of the fiscal year budget cycle. Compensation adjustments may take place at other times, at the discretion of the Diocese. Although compensation adjustments typically involve increases in wage rates, salary freezes or downward adjustments are also possible. The review will be conducted by the employee's supervisor, and will be based upon the following factors: diocesan pay plan, job classification, the employee's performance, department budget constraints, and the overall diocesan financial condition.

CHAPTER IV: DIOCESAN LEAVE / TIME OFF POLICIES

Employee benefits are provided to enhance basic compensation and are non-cash programs that can include a wide variety of alternate pay forms, ranging from time not worked (vacation, holidays, sick pay, etc.) to personal protection (health plan, life insurance, pension plan, workers' compensation, etc.). The following benefits policies apply to all diocesan employees, unless otherwise specified in a written employment contract or collective bargaining agreement.

31.0 PAID LEAVE / TIME OFF

31.1 Vacation

The Diocese recognizes the importance of vacation time in providing the opportunity for rest, recreation, and personal activities and so it provides paid vacation time to regular employees.

Employees are strongly urged to take their vacation within the year it is earned. An employee may accumulate a maximum of 25 days of unused vacation; he or she must, however, take at least five (5) vacation days per year. Once the 25-day cap is reached, no further vacation time will accrue until some is used. When some vacation time is used and the employee's unused balance of time falls back below the 25 day cap, vacation compensation will begin to accrue again. There is no retroactive grant of vacation compensation for the period of time the accrued vacation compensation was at the cap. No payments will be made in lieu of taking vacation, but employees terminating employment for any reason, however, will receive payment for all accrued, unused vacation time, as required by law.

Regular full-time employees accumulate vacation days on a monthly basis according to the following schedule:

From date of hire through 5th year of continuous service:	.83 days/month
From 6th year through 10th year of continuous service:	1.25 days/month
From 11th year through 20th year of continuous service:	1.67 days/month
21st year and thereafter:	2.08 days/mo.

Regular part-time employees earn vacation on a prorated basis based on the number of regular hours normally scheduled. Occasional part-time and temporary employees are not entitled to time off with pay.

Employees on unpaid leave do not accrue vacation time. If a holiday occurs during an approved vacation period, an employee will not be required to apply vacation time to that day off.

Vacation time must be pre-approved by the employee's supervisor, taking into consideration the staffing needs of that particular diocesan workplace. Leave Request forms for weekly periods of vacation should be submitted at least one month in advance. Leave Request forms for individual days of vacation should be submitted at least one week in advance.

The Diocese will give credit to rehired employees for purposes of determining vacation benefits, provided the break in service does not exceed 365 days. Under those circumstances, the employee will be credited with all of his or her prior service and a new vacation service date will be determined.

31.2 Holidays

The Diocese annually provides the following paid holidays to regular employees:

- New Year's Day
- Martin Luther King, Jr.'s Birthday
- Presidents' Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving
- Day after Thanksgiving
- Christmas Day

In addition to the paid holidays listed above, the Bishop of Sacramento may decide, in a particular year, to provide up to two additional paid holidays/days off, to be designated at his sole discretion. A decision to provide additional paid holidays in a particular year, however, does not obligate the Diocese to provide those same paid holidays in any following year.

When a paid holiday falls on a Saturday, it will be observed the preceding Friday. When it falls on a Sunday, it will be observed on the following Monday. Holidays that fall during an employee's scheduled vacation do not count as a vacation day. When a holiday falls on the regularly-scheduled day off of a regular full-time or regular part-time employee, an additional day off in lieu of the holiday will be granted to be taken at a time approved in advance by the employee's supervisor. When it is necessary to schedule work during a holiday, the employee will either

be given another day off with pay at a mutually acceptable time or be paid the equivalent of one day's work in lieu of the time off.

Part-time employees who work a regularly scheduled workweek with fixed days/hours of work are entitled to holiday pay in the amount of what their scheduled hours are on that day. For example, if a part-time employee is regularly scheduled to work five hours each Monday, when a holiday falls on a Monday that employee would receive five hours of wages at his or her regular rate of pay. To determine holiday pay for part-time employees who work a fluctuating schedule, please contact the Office of Lay Personnel.

Temporary employees are not entitled to time off with pay.

31.3 Sick Pay

General Provisions: The Diocese recognizes that inability to work because of short-term illness or injury may cause economic hardship and it therefore provides sick pay to regular employees.

Regular full-time and regular part-time employees accumulate sick pay on a monthly basis at the rate of one (1) day for each month of service, up to a maximum of 30 days of sick pay. Part-time employees are entitled to accumulate sick pay on a pro rata basis based on the number of regularly scheduled hours, up to the 30-day maximum. Additional sick pay will not accrue beyond the 30-day maximum, until some sick pay is used, after which sick pay will again accumulate, up to the 30-day cap. Sick pay does not accrue during periods of unpaid leave.

Since sick pay is designed to assist employees who are temporarily required to miss work, the Diocese does not provide pay in lieu of unused sick pay, and unused sick pay is not payable upon termination of employment for any reason.

The Diocese will give credit to rehired employees for purposes of determining sick pay balances, provided the break in service does not exceed 365 days. Under those circumstances, the employee will be credited with all of his or her prior accumulated sick pay, up to the 30-day maximum set forth above.

In case of sickness, employees should call their supervisor within one hour of the beginning of their work schedule or they may not receive sick pay for that day.

Verification From Healthcare Provider: If an employee misses work because of sickness, illness, injury, or disability, the Diocese may ask the employee to provide a satisfactory statement of a qualified health care provider, verifying that the injury or disability exists/existed and its beginning and ending dates. The statement may also be required to verify the employee's ability to return to work.

without presenting an immediate and significant risk to his or her own health or safety or the health or safety of others, and that the employee can safely perform all of the essential functions of his or her position, with or without reasonable accommodation, before being allowed to return to work.

If hospitalized or unable to work for more than seven calendar days for an illness or injury that is not work-related, an employee will be required to apply for State Disability Insurance (SDI) benefits, and will also be required to apply for an approved leave of absence (e.g., medical/family leave). Any sick pay time will be coordinated with state disability benefits so that total medical leave pay does not exceed regular pay. If an employee runs out of accrued sick pay, the employee may request to use any available accrued vacation pay. Claim forms are available through the Office of Lay Personnel Department or by calling the local State Employment Development Department.

Permissible Sick Pay Use: Sick pay may be used if the employee is sick or for the employee's medical and dental appointments. An employee may also use up to 50% of his or her accrued sick pay to address illnesses of his or her child, parent, or spouse. The use of sick pay benefits for such family members is subject to the same conditions as the use of sick pay benefits for an employee's own illness. Satisfactory verification of illness from a health care provider may be requested, and when such a request is made, submission of satisfactory proof of illness will be a condition of eligibility for sick pay benefits.

Absenteeism that is unexcused or excessive, or any other abuse of the sick pay policy, is grounds for disciplinary action, up to and including dismissal.

31.4 Bereavement

A regular full-time and regular part-time employee may be granted up to five (5) consecutive days off from work with pay in the event of the death of a relative of the employee. Requests for bereavement leave should be made to an employee's supervisor.

A ~~relative,~~ for purposes of this section, is defined as a husband, wife, father, mother, stepfather, stepmother, daughter, son, stepson, stepdaughter, brother, sister, stepbrother, stepsister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, niece, nephew, aunt, uncle, or a foster child or ward of the court.

31.5 Jury Duty

Regular full-time and regular part-time employees who are summoned to jury duty will continue to receive their regular salary during their active period of jury duty up to a maximum of ten (10) days per summons. Employees are permitted

to retain the allowance they receive from the court for such service. Occasional part-time and temporary employees will be given time off without pay while on jury duty service.

The Request for Leave form must accompany a copy of the summons, and both documents must be submitted to the supervisor as soon as the summons is received. Proof of service must be submitted to the supervisor when the period of jury duty is completed.

Employees must report to work on days or parts of days when they are not required to serve as a juror.

31.6 Witness Duty

Regular full-time and regular part-time employees are allowed up to three days paid leave if summoned to appear in court as a witness, a principal in a legal action, or a prospective parent in adoption proceedings. The Request for Leave must accompany a copy of the summons/notice of hearing and both must be submitted to the employee's supervisor as soon as the summons/notice is received.

31.7 Time Off to Vote

Employees shall be permitted to take up to two hours from work without a loss of pay to vote in a primary, general, or special election, if they are unable to do so outside of work hours. Notification of the need for time off to vote must be submitted to the employee's supervisor at least two days in advance of the election date.

32.0 UNPAID LEAVE / TIME OFF

Although time off pursuant to any of the following categories is unpaid, the employee may be permitted to apply unused accrued sick or vacation leave. To the extent that the following leave categories are required under applicable federal or state law, the Diocese will adjust provisions as necessary to meet any legislative or regulatory modifications that may be made after the printing of this Handbook. Employees should always verify eligibility and current provisions of law with their supervisor or with the Office of Lay Personnel prior to taking any unpaid leave.

32.1 Medical / Family Leave

Employees who meet the criteria for eligibility may request an unpaid medical/family leave of absence. Employees should refer to the diocesan information sheet for more detailed information on medical/family leave (*Form PT-383*).

Eligibility: To be eligible for leave under this policy, an employee must (1) have completed at least 12 months of employment by the Diocese, and (2) have worked at least 1,250 hours during the 12-month period preceding the date the leave would begin.

Permissible purposes of leave: Leave may be requested for one or more of the following reasons:

- The birth of the employee's child, or placement of a child with the employee for adoption or foster care;
- To care for the employee's spouse, child, or parent who has a serious health condition; or
- To address the employee's own serious health condition that prevents the employee from performing one or more of the essential functions of his or her position.

Leave benefits: Eligible employees may request up to 12 weeks of medical/family leave during a 12 month period. The 12 weeks of leave will be measured using a rolling 12-month period measured forward from the date an employee's first medical/family leave begins.

Leave for Ineligible Employees: An employee who is not eligible for diocesan Medical/Family Leave (for example, because he or she has not yet completed 12 months of employment) but who requires time off because of a serious health condition or to care for a child spouse, or parent with a serious health condition or to bond with a new child, may receive up to 6 weeks unpaid leave. Approval of leave requests under this provision will be at the discretion of the pastor, principal, or director in consultation with the Office of Lay Personnel. Further information on this policy and the interaction with the California State Disability Insurance and Paid Family Leave programs, is contained in the relevant diocesan personnel form (*Form PT-388*).

Exhaustion of Leave: If an eligible employee (1) exhausts all 12 weeks of medical/family leave, and (2) has no other applicable leave available to cover the time off (e.g., vacation or sick pay), but (3) is medically unable to return to work, that employee will be subject to dismissal from employment.

32.2 Pregnancy Disability Leave

Consistent with its commitment to promoting and supporting a culture of life, beginning from the moment of conception and continuing through childbirth, the Diocese provides eligible employees with pregnancy disability leave. The Diocese voluntarily chooses to follow this policy, even though as a religious organization employer it is exempt from state law on this topic. Pregnant employees should

refer to the diocesan information sheet regarding pregnancy time off (*Form PT-384*).

Female employees who are temporarily disabled due to pregnancy may request temporary assignment to less strenuous job duties or to a different work assignment. Such requests will be reasonably accommodated to the extent possible. If the employee is unable to work due to a pregnancy-related condition, she is eligible for pregnancy leave of up to four months. An employee who takes pregnancy disability leave must utilize any accrued sick pay benefits, and may elect to use accrued vacation leave during the time off. Leaves in excess of accrued sick pay and vacation leave benefits are without pay. When the disability begins, the employee is required to apply for State Disability Insurance (SDI), and any paid leave time used will be coordinated with state disability benefits so that total medical leave compensation does not exceed regular pay. The Diocese will continue to maintain an employee's group health benefits during any pregnancy disability leave, on the same terms and conditions had the leave not been taken.

An employee requesting pregnancy disability leave must notify her supervisor, in writing, as soon as she knows, with reasonable certainty, the expected date on which leave will begin. The employee must also provide medical certification from her health care provider, verifying the existence of the medical condition and providing an estimate of anticipated duration of the disability. A request for a leave of absence after the disability has ended will be treated as a request for medical/family leave.

Prior to returning to work, the employee will be requested to submit a written release from the attending physician certifying that she is able to perform safely all the essential functions of her position or is able to perform them with reasonable accommodation. Although it can provide no guarantee, the Diocese will attempt to return the employee to the previous position or to place her in a comparable position with comparable employment benefits, pay, and other terms and conditions of employment.

32.3 Military Leave

Employees inducted into the military or who are members of the National Guard will be granted duty leave without pay and without loss of accumulated service as provided by the law. A Request for Leave must accompany a copy of the notice of induction/active duty and both are to be submitted to the supervisor as soon as the notice is received.

32.4 Leave For Spouses Of Military Personnel

California law provides for up to 10 days of leave for eligible employees who are married to members of the U.S. Armed Forces, National Guard, or Reserves who

are on active duty in an area of military conflict. Regular employees who qualify under the law may take up to 10 days of unpaid leave when the employee's spouse is on leave from deployment during the period of military conflict. Within two business days after receiving official notice of the spouse's leave from deployment, the employee must provide notice of that fact to the Diocese. The employee must thereafter provide written documentation certifying that the spouse is on leave from deployment.

32.5 School Visits / Activities

Regular employees who are parents or guardians of a child or children enrolled in kindergarten through grade 12 or a licensed day care facility may take up to 40 hours of unpaid time off per calendar year, for the purpose of participating in activities of the school or licensed day care facility. The employee is limited to no more than eight (8) hours off for this purpose in any one calendar month of the year. The employee must provide reasonable advanced notice of the planned absence to his or her supervisor.

32.6 School Conferences Involving Suspension

An employee who is the parent or guardian of a child who has been suspended from school will be allowed unpaid time off, if requested, to appear at the school in connection with that suspension. The employee must provide reasonable notice to his or her supervisor of the need for time off, so that arrangements can be made to accommodate time off for this purpose.

32.7 Volunteer Firefighters, Reserve Peace Officers, Emergency Rescue Personnel

Any employee who performs emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue worker will be permitted unpaid time off for emergency duty. An employee who serves as a volunteer firefighter, will additionally be permitted up to 14 unpaid days off per calendar year to engage in fire or law enforcement training. If an employee is serving in one of these capacities, he or she should alert his or her supervisor so that the supervisor will be aware of the fact that time off may be necessary for emergency duty or training. In the event that there comes a need to take time off for emergency duty or training, the employee is asked provide his or her supervisor with as much advance notice as possible. If time off will be of an extended nature (more than two weeks), the employee should contact the Office of Lay Personnel for more information concerning the impact on employee benefit coverage.

32.8 Crime Victim Leave

Employees will be provided with unpaid leave from work to attend judicial proceedings if they are either a victim of a serious crime or the crime victim's immediate family member. Immediate family member+in this context means a spouse, child, step-child, parent, step-parent, sibling, or step-sibling, and serious crime+ means a violent felony, a serious felony, or a felony prohibiting theft or embezzlement. Employees must provide, in advance, a copy of the judicial notice setting the proceeding.

32.9 Time Off Due To Domestic Violence Or Sexual Assault

If an employee is the victim of domestic violence or sexual assault, unpaid time off may be necessary to seek judicial relief to ensure the safety or welfare of the employee or his or her child. This may include efforts to obtain a temporary restraining order, a restraining order, or other judicial relief.

If an employee needs time off from work for one of these purposes, he or she must provide reasonable notice, in writing, to his or her supervisor. If an unscheduled or emergency court appearance is required for the health, safety, or welfare of the domestic-violence or sexual-assault victim or his or her child, the employee must provide evidence from the court or prosecuting attorney that he or she has appeared in court within a reasonable time after the court appearance.

32.10 Time Off for Literacy Education

The Diocese generally supports any employee who chooses to attend an adult literacy education program. An employee who needs time off to attend such a program should inform his or her supervisor, pastor or principal, or the Office of Lay Personnel. The Diocese will attempt to make reasonable arrangements for the employee by providing unpaid time off unless it will cause an undue hardship for the Diocese to do so. The Diocese will also attempt to safeguard the privacy of the fact that the employee is enrolled in an adult literacy program.

32.11 Administrative Leave

An employee may be placed on paid administrative leave if there is reason to believe he or she has been involved in, and to permit further investigation into the circumstances of, conduct or activities that violate the policies of the Diocese. Placement of an employee on administrative leave will generally be made in the sole discretion of the Bishop, pastor, or principal, depending on the location at which the individual is employed. Before a parish or school employee is placed on administrative leave, there will be prior contact and coordination between that employee's supervisor and the Office of Lay Personnel.

CHAPTER V: GROUP AND STATUTORY FRINGE BENEFITS

Regular employees (full time and part time) are eligible for group benefits - medical, dental and life insurance, flexible benefit plan, and pension. The level of diocesan contributions to group benefit premiums is determined on a plan-year basis, and may increase or decrease from year to year. A benefit plans premium rate sheet, identifying the premium amounts for all types of coverage, and the percentage portions to be paid by the Diocese and employees, will be published by the Office of Lay Personnel for each calendar year. Premiums for part-time employees will be prorated based upon the percentage of full time (35 hours/week = 100%) worked at the site. As an example, if an employee with a 25 hour/week schedule enrolls in diocesan group benefits, the Diocese will pay 71% of its portion of premiums (25 divided by 35 = 71% of full time) - the employee will pay the remaining 29% of the Diocese portion, plus all of the employee portion of the premiums. Eligible employees who elect not to participate in a group benefit must submit a Waiver of Employee Benefit form.

33.0 Medical, Dental, Vision, Life, and Long-Term-Disability Insurance

Eligible employees may enroll in the diocesan group benefit plan(s). To do so, the eligible employee must submit the diocesan benefits enrollment form. Please refer to the current summary plan description for information on each plan.

34.0 Flexible Benefit Plan

Regular employees may participate in the Roman Catholic Bishop of Sacramento Flexible Benefit Plan, which provides certain pretax benefits as provided under Section 125 of the Internal Revenue Code. Eligible employees must submit enrollment forms (*Form PT-10*). Please refer to current plan description for information.

35.0 Continuation of Coverage

Though it is exempt from the familiar COBRA provisions of federal law, the Diocese voluntarily offers employees or dependents who are affected by a **Qualifying Event** - such as termination of employment, death of a spouse, or divorce - the opportunity to continue medical and/or dental coverage for a limited period of time, in a manner similar to that set forth in the COBRA statute. Arrangements for continuation of coverage in this manner is the sole responsibility of the employee, and the Diocese reserves the right to alter this policy, and the terms of continuation coverage, at any time, in its discretion.

36.0 Pension

Regular full-time and regular part-time employees automatically receive pension coverage upon meeting the one-year-of-service eligibility requirement in the Diocese of

Sacramento Lay Employee Pension Plan. Please refer to the Diocese of Sacramento Lay Employees Pension Plan document for details.

37.0 Tax-Sheltered Annuity

Employees are eligible to contribute to the Diocese-sponsored Tax-Sheltered Annuity (TSA) under Section 403(b) of the Internal Revenue Code. Employees are encouraged to contact their individual supervisors for additional information regarding contributions to the TSA. A salary reduction agreement must be submitted to the payroll administrator prior to the effective payroll date.

38.0 Workers' Compensation

The Diocese provides workers' compensation insurance coverage for its lay and religious employees who may be injured or become ill as a result of their employment. This insurance provides medical, surgical and other benefits including wage-loss protection. Employees must report their work-related injury or illness to their supervisor as soon as possible. "Employee's Claim for Workers' Compensation Benefits" and "Employer's Report of Occupational Injury or Illness" forms (*refer to Forms DWC-1 and 5020*) must be completed and submitted to the diocesan workers' compensation claims administrator within the required time limits. Employees should contact the Office of Lay Personnel if they have any questions about workers' compensation insurance.

NOTE: Neither the Diocese nor its insurer will be liable for the payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.

39.0 Occupational Disability Leave

Employees may be eligible to take a leave of absence for the duration of a disability due to an occupational illness or injury. When on occupational disability leave, the employee must be examined by a health care provider and certified to be disabled from returning to work. During the leave, he/she will receive workers' compensation insurance benefits in accordance with California law.

The leave of absence will end as soon as a health care provider certifies that the employee is able to perform safely all of the essential functions of his or her job, with or without reasonable accommodation. If the Diocese receives satisfactory medical evidence that the employee will be permanently unable to resume safely all of the essential functions of his or her job, with or without reasonable accommodation, and if reassignment to a vacant position is not possible, employment will be terminated.

An employee will be reinstated to his or her former position when a health care provider certifies that the employee is able to perform all of the essential functions of his or her job, with or without reasonable accommodation. Exceptions to this rule are:

- When the employee directly or indirectly indicates to the Diocese that he/she does not intend to return to the job;
- When the former position no longer exists;
- When the Diocese has to replace the employee as a business necessity;
- When the employee is no longer qualified for the former job; or
- When the employee is unable to return to the former job without posing a direct threat to his or her health or safety or to the health and safety of others.

During occupational disability leave, an employee may elect to integrate unused sick pay and vacation time as long as total compensation does not exceed regular pay.

An employee's benefits are protected on the same basis as leave under the Diocese's Medical/Family Leave Policy, and for the same duration since they run concurrently with medical/family leave. If an employee does not meet the eligibility requirements for medical/family leave (as set forth in this handbook), he or she will still be treated as being on medical/ family leave for purposes of employee benefit treatment. Employees will be responsible for paying the full cost of his or her benefits if occupational disability leave continues beyond the 12 weeks limit associated with medical/family leave.

40.0 Social Security

Employees of the Diocese are covered by the mandatory provisions of the federal social security law and subject to taxes under the Federal Insurance Contributions Act (FICA). The amount of tax is set by law, and the Diocese is required to match the amount deducted from each employee's wages. The total contribution is credited toward an employee's social security benefits, which may be available at the time he or she is eligible to retire. In addition, disability and survivors benefits are financed through social security deductions.

41.0 State Unemployment Insurance

The California Unemployment Compensation Law provides for temporary assistance to employees who have lost their jobs through no fault of their own. Though exempt from this law, the Diocese voluntarily provides coverage for all eligible diocesan employees. Premiums are paid by the Diocese and the claims are administered by a third party administrator. Eligibility and extent of coverage are determined by the State of

California Employment Development Department, which processes claims for unemployment insurance. Claims may be made at any local EDD office.

42.0 State Disability Insurance

An employee may be eligible for State Disability Insurance (SDI) when he or she cannot work because of sickness/injury (either mental or physical, including pregnancy, childbirth, or related medical condition) not caused by his or her job. An employee cannot be paid Unemployment Insurance and Disability Insurance benefits for the same period. The SDI premium is deducted from the employee's salary. The SDI premium rate and the subject wages are determined by the State of California annually per calendar year. Claim forms for SDI benefits (*DE 2501*) are available from the any California Employment Development Department office.

43.0 Family Temporary Disability Insurance (Paid Family Leave)

Employees of the Diocese are eligible, under California law, to apply for up to six weeks of wage replacement benefits within a 12 month period, for time taken off work to care for qualified family members who are seriously-ill, or to bond with a new child. The costs of this program are paid for by payroll taxes on employees throughout the state. Additional information and claim forms may be obtained from the California Employment Development Department. Benefits are paid directly by the EDD to eligible employees.

Whenever an employee can foresee the need for such time off, he or she must also provide advance notice to his or her supervisor, in writing, to request the time off, and must receive approval for the leave. Even though the state provides FTDI wage replacement benefits to an eligible employee when time off is taken, this does not mean that employees have a separate and distinct right to time off under the FTDI program, or any corresponding job guarantees.

44.0 Cemetery Benefit

Eligible employees may receive a 25% discount off the pre-need purchase of burial space in any of the following Diocesan Cemeteries:

- All Souls Cemetery, Vallejo
- Calvary Cemetery, Citrus Heights
- Holy Cross Cemetery, Colusa
- St. Alphonsus Cemetery, Fairfield
- St. Joseph Cemetery, Rio Vista
- St. Joseph Cemetery, Sacramento
- St. Joseph Cemetery, Woodland
- St. Mary's Cemetery, Sacramento
- St. Patrick Cemetery, Grass Valley
- St. Vincent de Paul Cemetery, Rancho Murieta

Eligible burial space includes plots, mausoleums, garden crypts and niches (subject to availability), and is limited to space for employee, spouse, and sons or daughters of employees only. Employees interested in this particular benefit should contact the Catholic Cemeteries Department of the Diocese of Sacramento for additional details.

CHAPTER VI: EMPLOYEE CONDUCT

45.0 GENERAL STANDARDS OF CONDUCT

The Diocese expects all of its employees, whether Catholic or not, to be persons who, by word, deed, and conduct, represent and support the positions and beliefs of the Catholic Church. The Diocese also expects employees, on a day-to-day basis, to engage in appropriate conduct, to fulfill their assigned duties, and to follow direction from superiors while on duty or on diocesan premises.

To promote an understanding of standards of conduct expected of employees of the Diocese, some examples of conduct that will lead to the imposition of disciplinary measures, up to and including termination of employment, include the following:

- Unsatisfactory performance, such as inattentiveness to job responsibilities or duties, failure or inability on the part of an employee to adequately fulfill assigned responsibilities, or failure to carry out specific responsibilities as detailed in the employee's job description, or as assigned by the pastor or other supervisor.
- Teaching, advocating, engaging in, or encouraging beliefs, relationships, or behaviors that are contrary to the moral and theological teachings of the Roman Catholic Church, or any other conduct that could be a source of scandal for the Church.
- Engaging in political activity (advocacy for individual candidates for public office in particular) while on the job, on Diocesan property or at a Diocesan facility, using Diocesan resources, or otherwise engaging in public or private conduct in a manner that such political activities could be attributed to the Diocese.
- Repeated tardiness, unexcused absence from work, unexcused tardiness, abuse of sick pay, or abuse of other leave benefits.
- Failure to give proper notice under the circumstances when unable to report for work for any reason.
- Misconduct such as profanity, deceit, dishonesty, uncontrolled anger, disrespect of others, failure to respond to correction or admonition from a supervisor, or refusal to obey appropriate directives.
- Failure to treat others with dignity and respect in working situations. This includes actual or threatened violence or bodily harm towards another individual in the workplace.
- Insubordination, which means a willful failure on the part of the employee to support and observe diocesan policies and/or a refusal to complete appropriate responsibilities assigned by the employee's supervisor.

- Falsification of documents, such as falsification of, or providing false or misleading information on an application, personnel record, professional or character reference or academic transcript. This also includes falsification of any records within the employee's control or other diocesan documents.
- Unauthorized possession, use, purchase, consumption, transfer, or sale of alcoholic beverages, controlled substances, or illegal drugs during working hours, on diocesan premises, or otherwise while representing the Diocese, or reporting to work under the influence of alcohol, any controlled substance, or illegal drug.
- Unauthorized possession, removal, or destruction of diocesan or co-worker property, records, or other materials.
- Failure to observe workplace safety policies and normal safety precautions, including those mandated by the Occupational Safety and Health Administration (OSHA).
- Unlawful discrimination or harassment, as defined in greater detail in this Handbook.
- Breach of confidentiality, including disclosure of information pertaining to personnel, financial, or sacramental records, or other confidential material.
- Violations of any other policies or procedures outlined in this Handbook.

46.0 POLICY AGAINST DISCRIMINATION AND HARASSMENT

The Diocese is committed to maintaining a work environment that is free from unlawful discrimination of any kind. In keeping with this commitment, the Diocese will not tolerate the harassment of any of its employees by anyone, including any supervisor, co-worker, or any non-employee third party.

The Diocese will not tolerate unlawful discriminatory conduct in diocesan workplaces, nor harassing conduct (unwelcome conduct, whether verbal, physical, or visual) that interferes unreasonably with an employee's work performance, or that creates an intimidating, hostile, or offensive working environment, where that conduct is based upon characteristics designated as protected by applicable law, such as sex, color, race, national origin, age, or physical or mental disability.

Sexual harassment is a particular concern. Unwelcome sexual advances, requests for sexual favors, and other physical, verbal, or visual conduct based on sex constitute sexual harassment when (1) submission to the conduct is an explicit or implicit term or condition of employment, (2) submission to or rejection of the conduct is used as the basis for an employment decision, or (3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment. Sexual harassment is conduct based on sex, whether directed towards a person of the opposite or same sex, and may include explicit sexual propositions, sexual innuendo, suggestive comments, sexually oriented kidding or teasing, practical jokes, jokes about obscene printed or visual material, and physical contact such as patting, pinching, or brushing against another person's body.

All employees have a responsibility to help assure that the workplace is harassment-free. If an employee feels that he or she has experienced or witnessed harassment, he or she is to notify his or her immediate supervisor, the pastor, the principal (if a school employee), or, in the alternative, the Office of Lay Personnel or the Superintendent of Catholic Schools.

As required under California law, all pastors, principals, and supervisors will receive training concerning the prevention and correction of sexual harassment in the workplace. Supervisors must participate in this training at least once every two years. Details concerning this sexual harassment training are available from the Office of Lay Personnel.

It is the policy of the Diocese to investigate all complaints of discrimination or harassment thoroughly and promptly. To the fullest extent practicable, the Diocese will keep complaints and the terms of their resolution confidential. If an investigation confirms that a violation of the policy against discrimination and harassment has occurred, the Diocese will take corrective action, including discipline up to and including immediate termination of employment. The Diocese forbids retaliation against anyone for reporting harassment, assisting in making a harassment complaint, or for cooperating in a harassment investigation.

47.0 ELECTRONIC COMMUNICATIONS POLICY

The Diocese provides employees with computer technology resources in an effort to promote efficient and effective creation and communication of job-related data. Access to these tools, however, also results in a need for accuracy, security, and control of electronic data. This is particularly the case with the Internet, which can be both a valuable information and research resource and a tool for abuse, inefficiency, and liability for the Diocese. As a consequence, every employee is required to know and follow these rules for the proper use of electronic communications and information technology resources. Failure to comply with these policies can subject the employee to disciplinary action up to and including termination of employment.

Scope of policy: Though the Electronic Communications Policy for the Diocese applies most obviously to workplace computers (whether desktop or portable), it also applies to all information technology resources utilized by employees of the Diocese in connection with their job duties, including but not limited to: all computer components and accessories (including printers, floppy disks, flash memory devices, CD-ROMS, and internal or external networks), electronic mail (~~%~~-mail+) and any attachments to such messages, cellular telephones and text messaging, instant messaging, voice mail, Internet, video conferencing, and facsimile machines.

Prohibited conduct: Information technology resources provided by the Diocese should be used for legitimate, job-related communications. Other than minimal and incidental personal use (such as occasional telephone, instant or text messaging, or email contact with family members or friends), these resources should not be used in a manner that

affects any employee's or coworker's work performance. Personal use of information technology resources in a manner that adversely affects an employee's or coworker's work performance, or that violates the standards of conduct for the Diocese, may result in the revocation of any personal-use privileges, as well as discipline up to and including dismissal.

Information technology resources may never be used in connection with downloading, transmittal, access to, review, or dissemination of inappropriate materials of any kind, including, but not limited to, (1) sexually-suggestive, pornographic, or obscene images, graphics, or language, (2) unlicensed or unauthorized access to proprietary, copyrighted, or patented information belonging to another individual or entity, or (3) material that is offensive based on any characteristic designated as protected by state or federal law, and which could be construed to violate the Diocese's policy against harassment. Employees also should not allow or facilitate access to diocesan computers by outside or unauthorized individuals.

Employees are prohibited from any willful or reckless introduction of virus-infected files into the Diocese's information technology resources. Employees are expected to take all reasonable steps to ensure that all files accessed or collected are virus-free, and should not add, load, remove, download, or transfer any software on diocesan computers unless authorized to do so.

No expectation of privacy / Diocese right of access: All data that is entered, created, received, stored, accessed, or transmitted by way of information technology resources provided by the Diocese, including all text, instant, and e-mail messages, are and will remain the sole and exclusive property of the Diocese. All system pass codes for information technology resources provided by the Diocese must be made available by employees to a direct supervisor, and employees may not install private pass codes on such equipment. Employees should therefore have no reasonable expectation that information on any Diocese computer or other information technology resource will be confidential, or that they will have any proprietary, privacy, or protected-confidentiality right with respect to such information. In order to monitor compliance with this policy and to protect its interests, including the need to prevent any improper use of information technology resources, the Diocese reserves the right to gain access to any information entered into, created, received, stored in, accessed, or transmitted by any of the information technology resources made available to employees. Consistent with this policy, the Office of Lay Personnel, pastor, or school principal may authorize access to any employee's Diocese-provided information technology resources before, during, or after the employee's shift, and with or without the employee's advanced knowledge or consent, and may, in appropriate circumstances, share information contained on those resources with third parties, such as law enforcement agencies, in connection with criminal or civil investigations.

47.5 ONLINE SOCIAL MEDIA POLICY

The Diocese recognizes that many of its employees participate in one or more varieties of Internet-based social media. Examples of these are social networks such as Facebook, MySpace, Twitter, YouTube, and LinkedIn, as well as blogs, wikis, and related sites involving personal expression and social interaction. While all employees are welcome to participate in such social media, they must nevertheless recognize the potential for their personal expression to have an adverse effect upon the reputation of the Diocese, its employees, and the Roman Catholic Church.

In general, an employee may access online media for lawful and appropriate job-related purposes during the workday with the approval of his or her supervisor. Employees may not utilize diocesan information technology resources to create, post, or otherwise access online social media for personal use, and the provisions of the diocesan Electronic Communications Policy (such as diocesan right of access and no reasonable expectation of privacy by employees) apply for purposes of enforcing this restriction.

With regard to any material published or posted on any social media by employees, even on their personal time, the following guidelines apply:

- While the Diocese has no desire or intent to monitor or censor the personal social media activity of employees, some online actions can affect an employee's service with the Diocese. If it comes to light that an employee's postings (from any time period) have the potential to be a source of scandal for the Church, because the content violates the diocesan standards of conduct set forth above, the employee will be subject to disciplinary action, up to and including discharge. In particular, the Diocese will not tolerate the posting of obscene, harassing, offensive, derogatory, or defamatory comments and images that discredits or causes embarrassment to the Diocese or the Catholic Church, or to our employees, schools, affiliated organizations, or parishioners.
- If you identify yourself as an employee of the Diocese on social media, please make it clear that the views you express are yours alone and that they do not necessarily reflect the views of the Diocese. For example, if an employee publishes a blog, he or she should post the following notice, in a reasonable prominent place: "The views expressed on this site are solely my own and do not necessarily reflect the views of my employer."
- Employees should be ethical and responsible participants in social media. Attempt to always be accurate and respectful in any postings. If you are moderating the content of others who post on your site, insist upon similar standards for those third parties.
- Employees should never disclose in social media any information gained as a result of employment with the Diocese. This includes, but is not limited to: any information that is confidential or proprietary to the Diocese; information that a third party has disclosed to the Diocese, including information related to any Church sacraments;

and information concerning any legal matters or litigation in which the Diocese is involved.

- Employees may not use diocesan trademarks or reproduce any diocesan materials or logos without written permission. Please consult with the Director of Communications if you have questions about appropriateness of publishing any such diocesan materials on your site.

Employees who violate this policy may be subject to disciplinary action that may include termination. If you have questions about this policy or any matter related to your social media activities that this policy does not address, please consult with the Office of Lay Personnel.

48.0 CONFLICTS OF INTEREST

All employees and independent contractors engaged by the Diocese must not use their position with the Diocese for inappropriate personal advantage or in a manner that would create a conflict of interest. Because of the ministerial mission of the Diocese, diocesan employees must constantly bear in mind the importance of the highest standards of ethical and moral conduct. Employees must refrain from taking part in, or exerting influence in, any transaction in which their own interests may conflict with the best interests of the Diocese, as determined by the supervisor.

Examples of prohibited activities include, but are not limited to:

- Engaging in any other employment or personal activity during diocesan work hours or using diocesan supplies or equipment in other employment;
- Soliciting diocesan employees or business associates to purchase goods or services of any kind for non-diocesan purposes or to make contributions to any non-diocesan organization, unless the Bishop has granted written approval in advance;
- Having a direct or indirect financial relationship with suppliers or vendors who solicit business with or are engaged in a business relationship with the Diocese;
- Engaging in offers, exchanges, solicitations or acceptance of payments, gifts or other considerations in any form, directly or indirectly, other than those which have to do with the normal course of business and which follow open, legal and authorized procedures with any person, firm or institution; and
- Rejecting, accepting and/or exerting influence connected to payments, gifts, credits or favors in any form (e.g. vacations, expenses, loan endorsements, consultant fees), directly or indirectly by or to the employer or independent contractors. The term "indirect" includes the offering or acceptance of such favors by a relative, associate or anyone acting on behalf of the employee or an independent contractor or by business entities acting for any of the aforementioned.

49.0 CONFIDENTIALITY

Some aspects of the work of the Diocese - such as sacramental matters, private correspondence and contributions, and the nature of relationships with businesses and benefactors - are confidential. Employees should not discuss these matters outside the office without authorization from those responsible for this information.

By virtue of their work, diocesan employees may also have access to personal information of employees, parishioners, students, volunteers, or other individuals, including social security numbers, personnel information, and salary matters. All such personal information, must be maintained in strict confidentiality.

Failure to maintain confidentiality on any of these matters is grounds for discipline, up to and including termination.

50.0 POLICY AGAINST ALCOHOL AND DRUG ABUSE

The Diocese is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects its employees and the workplace. Use of these substances whether on or off the job can adversely affect an employee's work performance and efficiency, not to mention his or her personal life, safety, and health. The use or possession of these substances on the job also constitutes a potential danger to the welfare and safety of other employees and exposes the Diocese to the risks of property loss or damage, or injury to other persons. Accordingly, the Diocese prohibits the following conduct, whether on diocesan property during the work day (including meals and rest periods), or in any other locations while on diocesan business:

- Unauthorized possession, transfer, sale, or consumption of alcohol, or being under the influence of alcohol, during any working hours.
- Any possession, distribution, sale, or purchase of any illegal drug or controlled substance, or being under the influence of such an illegal drug or substance, during any working hours.
- Facilitating access to diocesan premises or employees by third parties for the purpose of distribution, sale, or purchase of alcohol, illegal drugs, or controlled substances.

Violation of these policies will lead to the imposition of disciplinary measures, up to and including immediate termination of employment.

In order to enforce this policy, and to promote a safe, productive, and efficient workplace, the Diocese reserves the right to inspect desks, packages, lunch boxes, and other articles brought on to diocesan premises that might conceal alcohol, illegal drugs, and/or other inappropriate materials.

51.0 WORKPLACE SAFETY

It is the policy of the Diocese to provide a safe workplace for its employees. In accordance with California law, the Diocese has established an Illness and Injury Prevention Program (IIPP), implementing safety rules and practices consistent with the Occupational Safety and Health Act (OSHA).

The Diocese will furnish necessary equipment for employees performing work requiring personal protective equipment. All employees must obey every safety rule and must report any safety hazards they observe to their supervisor immediately. Failure to comply with safety regulations or reporting requirements can be a reason for dismissal.

Any employee injured on a job-related duty should report the injury and its cause immediately to the supervisor. Such injuries are normally covered by Workers' Compensation Insurance. Workers' Compensation accident report forms must be submitted to the claims administrator.

52.0 WORKPLACE VIOLENCE / WORKPLACE SECURITY

The Diocese is firmly committed to the safety of its employees and to providing a workplace that is free from acts of violence or threats of violence. Although some kinds of violence result from societal problems that are beyond its control, the Diocese believes that measures can be adopted to increase protection for employees and to provide a secure workplace. In keeping with this commitment, the Diocese follows a strict policy that prohibits any employee from threatening or committing any act of violence in the workplace while on duty on diocesan premises or while on diocesan business anyplace else.

In order to achieve the Diocese's goal of providing a workplace that is secure and free from violence, it must enlist the support of all employees. Compliance with this policy and the Diocese's commitment to a zero-tolerance policy with respect to workplace violence is essential and is every employee's responsibility. Any violent or threatening conduct (including physical harassment, destruction of personal property, threatening phone calls, or stalking) is prohibited and should be immediately reported. In the case of imminent or actual violence, obtaining emergency assistance is a matter of first priority, and local law enforcement should be immediately contacted by dialing 911.

Regardless of the degree of threat, all employees must immediately report any incident involving a threat of violence or act of violence to a supervisor, principal, or pastor, or to the Office of Lay Personnel, whereupon the matter will be investigated and proper responsive action taken. No acts of retaliation will be permitted against any employee who reports any violation of this policy.

If employees become aware of any workplace security hazards or identify methods of increasing security in the workplace, they should report that information to their supervisor, principal, pastor, or the Office of Lay Personnel.

53.0 OTHER MISCELLANEOUS STANDARDS OF EMPLOYEE CONDUCT

Personal Appearance: Employees are expected to be clean, neat in appearance, and dressed in a professional manner. Questions concerning the appropriateness of an employee's attire for the workplace are determined by the employee's supervisor. If employees have any questions as to what constitutes proper attire within a given department, they should consult a supervisor.

Personal Use of Diocesan Property: Employees may not divert diocesan property to their own personal use. This policy includes, but is not limited to, the personal use of Diocese's name, logo, stationery, supplies, equipment, computers, telephones (including cellular telephones), fax machines, postage and postage meters, vehicles, office machines, or other property for personal purposes.

Official Letterhead: Official letterhead may not be used for personal correspondence nor may it be used by any individual to represent any policy, position or other statement purporting to reflect the opinions, policies or practices of the Diocese unless specifically authorized to do so.

CHAPTER VII: DISCIPLINE / DISPUTE RESOLUTION

54.0 PROGRESSIVE DISCIPLINE POLICY

The Diocese values its employees and the services they provide to the Church and to all those to whom we collectively minister as Catholics. The Diocese also fervently hopes that all those called to ministry as employees of the Church will be successful in their job duties and that each will provide and derive meaning and dignity from their labors in the diocesan workplace.

Consistent with this desire for all employees to be successful in their employment, and in order to provide a fair method of disciplining employees, the Diocese has established a general progressive discipline procedure to provide guidance to supervisors and employees alike. This progressive discipline policy is intended to outline a fair method of disciplining employees, and a framework within which both employees and supervisors have advance notice regarding disciplinary response to misconduct, in order to permit an opportunity to correct any problems.

A. General Provisions

1. Discipline may be initiated for various reasons, including, but not limited to, poor work performance or violations of the Diocese's antidiscrimination policy, electronic communications policy, or any other workplace standards of conduct. The severity of the disciplinary action generally depends on the nature of the offense and an employee's record and may range from verbal counseling to immediate dismissal.
2. The typical progressive discipline procedure consists of:
 - a. Verbal warning;
 - b. First written warning;
 - c. Final written warning, which may include suspension; and
 - d. Discharge.

Any or all of the foregoing steps may be utilized, depending upon individual circumstances and the nature of the employee's conduct. Employees must be aware, however, that these progressive steps represent guidance for a general progression of disciplinary response, and exceptions or deviations may occur whenever, based on the individual circumstances, the Diocese deems it appropriate. As a result, it must be clear that termination of employment may occur for a single offense or performance problem.

3. Discipline under this policy should be timely and should follow, as closely as possible, the incident(s) giving rise to and requiring the disciplinary action.

B. Progressive Discipline Procedure

1. Employees will typically receive verbal counseling one time before receiving a written warning.
2. In the event of an additional performance problem or violation of diocesan policy after a verbal warning, a written warning will typically be issued.
 - a. The warning will be signed and dated by the employee. If the employee refuses to sign the warning, another supervisor should immediately be asked to sign and witness that the employee has seen, but refused to sign, the warning.
 - b. The warning should inform the employee of the possible consequences, including final written warning, suspension and/or discharge, should additional violations or performance problems occur.

- c. A written warning need not pertain to the same or similar offense for which the verbal counseling was given.
3. If an additional performance problem or violation of diocesan policy occurs within 12 months of a previous written warning, a final written warning will typically be issued.
 - a. The warning will be signed and dated by the employee. If the employee refuses to sign the warning, another supervisor should immediately be asked to sign and witness that the employee has seen, but refused to sign, the warning.
 - b. The warning should inform the employee that termination may result if further violations or performance problems occur.
 - c. A final written warning need not pertain to the same or similar offense for which any prior verbal or written warning was issued.
 - d. In addition to the final written warning, the employee's supervisor may also suspend the employee for an appropriate period of time, without pay.
4. If the employee thereafter again fails to improve his or her performance problems or violates diocesan policy again, termination of employment may typically result.

C. Discretion to Deviate From Progressive Discipline

As noted above, this progressive discipline guidance is exactly that - a general framework to guide supervisors and employees in typical disciplinary matters. The Diocese reserves the right to deviate from this policy or to skip one or more steps if circumstances warrant such a deviation. Immediate termination for one offense may therefore occur if the Diocese deems it appropriate. In addition, the progressive discipline framework will not be applicable to any instances of staff reductions or layoffs.

55.0 DISPUTE RESOLUTION POLICY

It is the desire of the Diocese to have workplaces that are free of disruptive disputes among employees. Employees of the Diocese of Sacramento should respect one another and support each other in performing their jobs effectively. The Diocese recognizes, however, that because of our human nature, problems may arise between people who work together. This can affect the job performance of those involved as well as those around them. The Diocese adopts the following two general guidelines for the attempted resolution of such disputes.

Employees are encouraged to resolve disputes at the workplace level.

Employees should first try to resolve workplace conflicts among themselves, in a professional and responsible manner, showing mutual respect at all times.

In some instances, coworkers simply may not be able to resolve a conflict among themselves. In such cases, employees should promptly bring the situation to the attention of their supervisor. It is the responsibility of the supervisor to attend promptly to the matter and assist with reaching a resolution of the dispute. Every effort should be made to respect the dignity of each person involved, and to foster a resolution that will, as much as possible, also prevent future conflicts.

Depending on the circumstances (such as if the employee's dispute is with a supervisor, or if the supervisor has been unable to resolve a dispute with a coworker), the employee may also consult with the pastor.

Employees may, where warranted, seek assistance from the Bishop's office to resolve a dispute.

If an employee feels that a dispute at a parish school or workplace was not properly addressed or resolved, the employee may seek the assistance and input of the Office of Lay Personnel (for parish employees) or the Catholic School Department (for school employees). This can be done by submitting a request, in writing, to the Office of Lay Personnel or School Department, outlining the nature of the dispute, what efforts have been undertaken to resolve it, and what type of assistance is being sought.

The Catholic School Department (if the employee works at a Diocesan school), or the Office of Lay Personnel (if the employee works in a parish or other non-school diocesan workplace) will review the matter and may, as appropriate, assist with resolution of the dispute, recommend a course of action to resolve the problem, or seek the assistance from the Bishop's judicial vicar to help resolve the dispute. Retaliation against an employee for submitting a written request for dispute resolution assistance will not be tolerated, and any supervisor who is found to have engaged in such conduct will be subject to discipline.

Please note: Requesting the assistance of the Bishop's office is subject to a few important restrictions:

- Any involvement of the Office of Lay Personnel or Catholic School Department in the attempted resolution of a dispute is intended to be cooperative, and not adjudicatory: those departments do not act like courts to review or reverse personnel decisions at the parish or school level. They offer problem-solving assistance in an attempt to resolve disputes before they escalate unnecessarily.
- The Office of Lay Personnel or Catholic School Departments at all times retain the discretion to determine a particular dispute to be lacking grounds for review or assistance, on grounds that can include being objectively and reasonably unfounded or insincere, or being rooted in considerations that are purely personality or management-style based. Such submissions may, in the sole discretion of the Diocese, be filed without any responsive action.

- Decisions concerning termination of employment of a parish or school employee are not proper matters for involvement of the Office of Lay Personnel or the Catholic School Department. Such personnel decisions are obviously serious matters, and will typically have involved communication between the Office of Lay Personnel or the Catholic School Department and the parish or school before the actual termination takes place.
- The provisions of this Dispute Resolution Policy are intended to apply only to employees and workplace volunteers, and not for use by parishioners, students at diocesan schools, or parents of such students.

ACKNOWLEDGMENT OF RECEIPT OF HANDBOOK

I, _____, acknowledge receipt of the Diocesan Personnel Handbook, by initialing the following provisions and signing the general acknowledgment set forth below:

_____ I have received my copy of the Diocesan Personnel Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the Handbook and to follow them at all times during my employment with the Diocese.

_____ I understand and agree that other than the Bishop of Sacramento, no pastor, supervisor, or other representative of the Diocese has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the Bishop has the authority to make any such agreement and then only in writing signed by the Bishop. [Note: this provision is not applicable to certain contracted teachers and employees at Catholic Schools and within the Cemeteries Department.]

_____ I understand and agree that nothing in the Handbook creates or is intended to create an express or implied contract of employment or promise or representation of continued employment. Rather, I understand that my employment is ~~at~~ at will. I understand that this means that nothing shall restrict my right to terminate my employment at any time and nothing shall restrict the right of the Diocese to terminate my employment at any time, with or without notice, with or without cause.

_____ I understand that although this Handbook does not create an express or implied contract of continued employment, it does govern my employment relationship with the Diocese and our respective rights and obligations, in particular as it relates to arbitration of any dispute that may arise out of my employment with the Diocese.

_____ I understand that except as limited by state or federal law, the Diocese reserves the right to change my hours, compensation rate, working conditions, job duties, position, title, and benefits, at any time, in its sole discretion.

_____ I understand that all the policies, rules, and regulations in this Handbook replace any previous policy statements, written or oral, that are different from or inconsistent with the policies contained herein.

_____ I understand that with the exception of employment-at-will status, the policies in this Handbook may be changed from time to time, and that in the event of a change, I will be provided with copy of the Handbook revisions. If I have any questions about the policies in this Handbook, I may talk to my supervisor, pastor, or the Office of Lay Personnel.

Employee's Signature

Date

Print employee's name

Employee's work location (parish/school and city, *e.g. St. Joseph's, Sacramento*)

cc: Diocesan Office of Lay Personnel
2110 Broadway
Sacramento, California 95818-2541

ANTIDISCRIMINATION / ANTIHARASSMENT POLICY ACKNOWLEDGEMENT

I acknowledge that I have read and understand the Diocese's Policy Against Discrimination and Harassment, and I understand that the Diocese will not tolerate unlawful discrimination or harassment of any kind by any employee. It is a zero tolerance policy. I recognize that the only way the Diocese can achieve its goal of providing a work environment free of all unlawful discrimination and harassment is with the assistance of its employees. I understand that the Diocese and its employees must therefore be partners in the commitment to this policy.

I agree to comply with the Diocese's policies prohibiting unlawful harassment and discrimination and pledge that I will not violate the law or the Diocese's policy. I also promise to fulfill all of my responsibilities under the policy, including the responsibility to report any unlawful harassment immediately to my supervisor or pastor, to another supervisor or pastor in another parish or department in the Diocese, to the Office of Lay Personnel, or to any other individual designated by the Bishop to receive such reports. I will do all that I can to assist the Diocese to provide and maintain a workplace that is free of unlawful discrimination and harassment.

Employee's Signature

Date

Print employee's name

Employee's work location (parish/school and city, e.g. *St. Joseph's, Sacramento*)

cc: Diocesan Office of Lay Personnel
2110 Broadway
Sacramento, California 95818-2541

ELECTRONIC COMMUNICATIONS POLICY and ONLINE SOCIAL MEDIA POLICY ACKNOWLEDGEMENT

I acknowledge that I have read and understand both the Electronic Communications Policy and the Online Social Media Policy for the Diocese.

I understand that all electronic communications and information technology systems in use in the Diocese (including any such systems at any Parish or Catholic School), and all data entered, created, received, transmitted, or stored via these systems, are the property of the Diocese/Parish/Catholic School. I also understand that these systems are to be used for job-related purposes and are not to be abused for personal purposes, and that I have no expectation of privacy in connection with the use of these systems or with the creation, transmission, receipt, or storage of data via these systems.

I further understand that participation in online social media for personal purposes is not permitted on the job, or on Diocese-provided information technology systems. I acknowledge that social media content posted by me on my own personal time, on my own personal computer can, in some circumstances, violate the Diocese's standards of employee conduct, and might subject me to workplace discipline. As with electronic communications and information technology systems, I understand that any social media activity by me during the work day, or on diocesan information technology systems, may be monitored by the Diocese, and I have no expectation of privacy concerning such activity.

I agree to comply with the Diocese's Electronic Communications Policy and Online Social Media Policy, and I acknowledge and consent to the Diocese monitoring my use of information technology systems made available for my use, at any time at its discretion, including, but not limited to, accessing, reading, and printing all data entered, created, received, transmitted, or stored via these systems.

Employee's Signature

Date

Print employee's name

Employee's work location (parish/school and city, e.g. *St. Joseph's, Sacramento*)

cc: Diocesan Office of Lay Personnel
2110 Broadway
Sacramento, California 95818-2541

AGREEMENT REGARDING ARBITRATION OF DISPUTES

1. Parties: The parties to this Agreement are the Roman Catholic Bishop of Sacramento, a corporation sole (~~the Diocese~~) and the individual whose name appears below (~~you~~ or ~~your~~). References to the Diocese include references to its officers, employees, and agents, as well as its benefit plans and the entities that administer them, and successors and assigns of such entities.
2. Agreement to Arbitrate: The parties understand and agree that the Diocese has implemented a Dispute Resolution Policy, and that the principles that policy are the general procedures for resolving all workplace disputes. In the event that any dispute cannot be resolved under the Dispute Resolution Policy, and proceeds to civil litigation, that dispute shall be submitted for resolution exclusively through arbitration to the American Arbitration Association, instead of through trial by court or jury. In the absence of any written agreement between the parties to the contrary, any arbitration hearing pursuant to this Agreement shall be held in Sacramento, California.
3. Scope of Agreement: ~~Dispute~~, for purposes of this Agreement, includes all state or federal claims of a legal or equitable nature that you may have against the Diocese, or that the Diocese may have against you, such as claims for breach of contract (express or implied), breach of covenant of good faith and fair dealing, wrongful termination in violation of public policy, retaliatory discharge, discrimination, unlawful harassment, denial of leave, intentional and negligent infliction of emotional distress, fraud and deceit, negligent misrepresentation, libel, slander and invasion of privacy, assault, battery and false imprisonment, conversion, intentional interference with contract, interference with prospective economic advantage, malicious prosecution and abuse of process, breach of fiduciary duty, or wage and hour claims under the California Labor Code.
4. Disputes With Third Parties: Without limiting the foregoing provisions, this Agreement also applies to any dispute between you and any other person where (a) the Diocese is sought to be held vicariously or indirectly liable on account of the other person's conduct or (b) the other person is subject to an arbitration agreement with the Diocese and the dispute relates to your employment by the Diocese or the termination of that employment.
5. Claims Not Covered: This Agreement does not apply to certain claims and disputes, as follows: (a) any claim for worker's compensation or unemployment benefits; (b) a judicial action by either party for a temporary restraining order or a preliminary injunction pending arbitration; (c) any report to a law enforcement agency regarding conduct believed to be a crime; (d) disputes concerning employee benefit plans that are covered by ERISA; and (e) any other dispute that the law recognizes as not reached by a mandatory arbitration agreement. Finally, this Agreement does not apply to any matters regarding or related to theology, application of canon law, or ministerial/religious functions of the Church.

6. Initiation of Arbitration: The aggrieved party must give written notice of any claim by making a written demand for arbitration on the other party, as set forth in the Dispute Resolution Policy for the Diocese. The demand for arbitration shall describe the nature of all claims asserted, the identity of the persons or entities against whom the claims are asserted, the facts on which the claims are based (including (a) a list of witnesses to the events underlying the dispute, (b) the date the dispute arose, (c) an adequate description (or copy) of the principal documents that contain any statement supporting the claims), and the relief requested. Once the demand is sent and received, the Diocese, within five (5) business days, will file the demand with the appropriate office of the AAA.

7. Selection Of Arbitrator: The arbitration shall be conducted by a single arbitrator selected by the parties from a list of arbitrators provided by the AAA. No one who has ever had any business, financial, family, or social relationship with any party to this Agreement shall serve as an arbitrator unless the related party informs the other party of the relationship and the other party consents in writing to the use of that arbitrator - except that this provision shall not operate to exclude an arbitrator solely upon the basis that he or she is a member of the Roman Catholic faith or is a parishioner at a parish within the Diocese of Sacramento or other Diocese in the region.

8. Expenses and Fees of Arbitration. If the Diocese initiates the arbitration, then it shall pay the AAA's administrative fees. If you initiate the arbitration, then you shall pay an amount equal to the then-current state court civil matter filing fee in the county in which you reside, and the Diocese shall pay the remainder. Each side shall pay its own legal fees and expenses. The fees and expenses of the arbitrator shall be paid completely by the Diocese.

9. Authority Of The Arbitrator: The arbitrator shall have the authority and powers set forth in California Code of Civil Procedure section 1280, et seq., as well as the authority to interpret and apply this Agreement. The arbitrator shall resolve any controversy as to whether a dispute is arbitrable, construing the scope of this Agreement broadly in favor of final and binding arbitration, to the extent permitted by law. The arbitrator's authority shall include (a) the right to hear and rule on pre-hearing disputes and hold conferences by telephone or in person as the arbitrator deems necessary; (b) to resolve all discovery disputes; (c) to grant pre-hearing motions, including motions to dismiss and motions for summary judgment, applying relevant substantive law and awarding any remedy authorized by law, including attorney's fees that are authorized by statute, and to otherwise grant appropriate relief in accordance with applicable law. The arbitrator has no authority, however, to (a) add to or modify the terms of any contract between the parties, (b) require the Diocese to adopt new Diocese policies or procedures, or (c) hear or decide any matter that was not processed in accordance with this Agreement, absent written consent of both parties.

10. Procedures For Arbitration / Written Findings Requirement: The procedures to be followed are those set forth in the employment dispute resolution rules of the AAA, except to the extent those rules differ from those set forth in this Agreement. No part of the arbitration procedures shall be open to the public or the media, except that an employee who is not represented by counsel may have one individual (who is not otherwise a party or witness to the action) attend the proceedings to provide support. All evidence discovered or submitted at the hearing is confidential and may not be disclosed, except pursuant to court order. Unless the parties otherwise agree, each party may submit a post-hearing brief within 30 days of the close of the hearing. The arbitrator's award shall contain written findings of fact and a finding on each issue necessary to the arbitrator's conclusion, together with conclusions of law sufficient to provide a rationale for the arbitrator's decision with respect to the matters at issue. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The award may be vacated or modified only on the grounds specified in California Code of Civil Procedure section 1285, et seq.

11. Discovery: Each party shall be entitled to pre-hearing discovery of essential documents and witnesses, in a manner consistent with the provisions of Code of Civil Procedure section 1282, et seq., and the discovery provisions of the Code of Civil Procedure. Each party retains the right, however, to apply to the arbitrator for a protective order to prevent or limit particular discovery requests based upon demonstrated good cause for such limitation. Not less than 15 days prior to any hearing, the parties shall exchange copies of those documents that they anticipate will be used as exhibits and a list of names of persons they anticipate will be called as witnesses at the hearing.

12. Enforcement Of Agreement: This agreement may be enforced in accordance with the provisions of the California Code of Civil Procedure section 1280, et seq. If any provision of this Agreement is adjudged to be void or otherwise unenforceable, in whole or in part, that adjudication shall not affect the validity of the remainder of the Agreement.

13. Consideration: Each party enters into this Agreement in consideration of the other party's promise to arbitrate any dispute subject to this Agreement.

14. Not a Contract of Continued Employment: Neither the dispute resolution policies of the Diocese nor this Arbitration Agreement shall be construed to create any contract of continued employment and in no way alter the at-will nature of the employment relationship, permitting either the Diocese or you to discontinue your employment at any time, with or without cause or advance notice.

15. Modifications: This Agreement survives the termination of employment, and may be modified only by a writing signed by you and the Bishop of Sacramento. This Agreement may not be modified by oral or implied agreements, understandings or

arrangements. No employee or agent of the Diocese is authorized to make any agreement, understanding, or arrangement to the contrary.

BY EXECUTING THIS AGREEMENT YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT AND UNDERSTAND ITS TERMS, THAT YOU HAVE HAD AMPLE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR BEFORE SIGNING THIS AGREEMENT, THAT YOU HAVE TAKEN THAT OPPORTUNITY TO THE EXTENT YOU WISH TO DO SO, AND THAT IN SIGNING THIS AGREEMENT YOU ARE NOT RELYING ON ANY PROMISES OR REPRESENTATIONS NOT SET FORTH IN THIS AGREEMENT. YOU UNDERSTAND THAT IN THIS AGREEMENT THE PARTIES KNOWINGLY AGREE TO SUBSTITUTE ARBITRATION FOR COURT OR JURY TRIAL AS A MEANS OF RESOLVING THEIR LEGAL DISPUTES.

Employee's Signature

Date

Print employee's name

Employee's work location (parish/school and city, e.g. *St. Joseph's, Sacramento*)

Pastor / Principal / Office of Lay Personnel /
Superintendent of Catholic Schools

Date

cc: Diocesan Office of Lay Personnel
2110 Broadway
Sacramento, California 95818-2541