Episcopal Diocese of Kansas
2027 Compensation and Benefits Handbook

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About

Handbook Disclaimer

This annually updated handbook is intended to consolidate the compensation and benefits policies of the Episcopal Diocese of Kansas (EDOK) with topical overviews and information to facilitate user convenience. While this handbook serves as a valuable resource, it must necessarily evolve as the policies and procedures of its various sources respond to the compensation and benefits landscape of The Episcopal Church (TEC). Users should ensure they have the handbook's latest update from the diocesan website (episcopal-ks.org/policies/ or its successors). Where this handbook conflicts with its sources, the sources have precedence; unless otherwise directed within, contact the Diocesan Administrator with questions.

The Episcopal Diocese of Kansas and its affiliates do not provide tax, legal, or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal, or accounting advice. Employers and employees should consult their own tax, legal, and accounting advisors.

Adoption and Updates

The Episcopal Diocese of Kansas Compensation and Benefits Handbook is maintained by the diocesan staff and is, where necessary, adopted at least annually by the diocesan Council of Trustees or its personnel committee. The main annual update is expected to be published on or before October 1 and, unless otherwise indicated, handbook updates are effective January 1 of the year indicated by the title.

Purpose

The purpose of the handbook is to provide comprehensive information to the employers of the Diocese of Kansas (its congregations and institutions and their vestries, boards, and staffs) and their employees and families about its topics.

Sources

- The Laws of the United States of America and the State of Kansas
- *The Constitution and Canons of the General Convention of the Episcopal Church*
- The Acts of the General Convention of the Episcopal Church
- *The Constitution and Canons of the Episcopal Diocese of Kansas*
- The policies, guidance and procedures of the Church Pension Group (CPG) and its affiliates

Diocesan Contacts

Mr. Couri Reinholtz
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Diocesan CPG Administrator
creinholtz@episcopal-ks.org

The Rev. Patrick Funston
Canon to the Ordinary
Diocesan CPG Administrator
apfunston@episcopal-ks.org

Church Pension Group Contacts

General Questions, Pensions, Retirement Savings
866-802-6333

Medical, Dental, Vision, Life Insurance, Disability
800-480-9967

Administrator Support
855-215-5990

Technical Support
855-594-2201

Definitions

Policy
A required rule or regulation that governs employers and employees in the diocese based on law, canon, ethics or best practices.

Guideline
The adopted practices for employers and employees of the diocese; recommended but not required for employers.

Diocesan Employee
An individual employed by the Episcopal Diocese of Kansas's office of the bishop.

Exempt Employee
An employee who meets the Federal Fair Labor Standards Act (FLSA) definition for exemption from overtime pay. These roles are responsible for decisions related to matters of significance and have a high degree of autonomy (managerial, creative, etc.). Employees in this category are paid a set salary rather than hourly.

Non-Exempt Employee
An employee who does not meet the FLSA definition of an exemption from overtime pay. These roles take direction from others to accomplish work (administrative, scheduling, etc.). Employees in this category are sometimes paid on an hourly basis and receive time-and-a-half pay for any hours worked over forty within one workweek.

Compensation
Compensation, whether defined as salary, cash salary, stipend, bonus, one-time cash payments, or money paid by an employer on behalf of the employee (such as children's tuition, utilities, etc.) is the money regularly paid to an employee in return for general and continuing services.

Diocesan Administrator
Person responsible for managing the pension and benefits of clergy and lay employees working directly for the diocese, managing employee benefit enrollments for institutions under the authority of the diocese, and assigning Institution Administrators for congregations and institutions under the authority of the diocese.

Institution Administrators
Person responsible for managing the employment records and pension enrollments of clergy and lay employees working for their congregation or institution. They also work with Diocesan Administrators to manage group health, life, and disability enrollments for institutional employees.

At-Will Employment Disclaimer

This handbook does not alter the at-will employment relationship between the Episcopal Diocese of Kansas (EDOK) and its employees nor that of its congregations and institutions. At-will employees are free to terminate employment at any time for any or no reason, with or without notice, and at-will employers are free to terminate the employment relationship at any time for any legal reason or no reason, with or without notice.

Clergy Employees
The employment relationship between employers and employed clergy is also governed by canon law and should not be assumed to be at-will. Further, the employment of clergy in the Diocese of Kansas is under the authority and oversight of its Ecclesiastical Authority (the Bishop Diocesan unless without). Employers and employed clergy with questions regarding these matters should contact the Canon to the Ordinary for assistance.

Compensation

The Episcopal Diocese of Kansas is committed to ensuring fair compensation for lay and clergy employees in every congregation and institution, including fair, just and living wages for all hourly employees. Whenever possible, employers of The Episcopal Church should strive to ensure all employees earn a minimum of $15.00 per hour.

Decisions about compensation require careful review of an employer's financial resources and unique circumstances. While the Council of Trustees sets a minimum compensation amount for clergy, this amount is a baseline, and employers are encouraged to negotiate with clergy to ensure that compensation is competitive within your market and context.

Clergy Compensation

Compensation agreements between employers and employed clergy must always be articulated within a formal letter of agreement with the Bishop of Kansas as final signatory. Assistance with agreement development and templates are available from the Canon to the Ordinary. Formal agreements are not necessary for supply clergy.

Full-time clergy employment in the Episcopal Diocese of Kansas is calculated at five days per week, inclusive of Sunday worship. While a standard workday for lay staff is defined as eight hours per day, the definition of a "standard day" for clergy is difficult. It is understood that clergy's daily time commitment may require greater or fewer hours depending upon the season and individual needs of the faith community. It is expected that both full and part-time clergy will use good judgment in adjusting (in conversation with a supervisor or vestry) the "standard workday" based on the current needs of the individual community.

If an employer is having difficulty meeting the clergy compensation and benefits minimums as outlined in this document, leadership must inform the bishop. The bishop (or their designee) will work with leadership to determine the best way toward meeting diocesan minimums.

Full-Time Priests and Transitional Deacons

Clergy minimum compensation is determined by the Council of Trustees in consultation with the Personnel Committee and the Church Pension Group, and considers medians in credited service, cash compensation, total compensation, and averages for each of those elements.

Typically, dioceses provide a grid of compensation figures based on the number of years one has been ordained. Most actuals far surpass recommended minimums, so a single base-line recommended number makes more sense. Many priests are ordained after serving in secular and corporate leadership roles, so basing compensation solely on the years of ordination also did not make sense.

As of 2027, all full-time priests and transitional deacons employed full-time in congregations or institutions of the Diocese of Kansas are to be paid at least $57,000 which is a 2.8% increase from 2026. Congregations or institutions providing housing may reduce cash compensation by the fair

market rental value of the home. Congregations in larger metropolitan areas, leaders are asked to work with the Canon to the Ordinary to establish appropriate salaries based on the market and cost of living. Congregations and institutions are reminded that compensation is a powerful tool in attracting, recruiting, and retaining talented clergy and so are free and encouraged to compensate priests and transitional deacons in amounts that exceed the minimum.

To help establish a salary, wardens, vestries and clergy are invited to contact the Canon to the Ordinary to determine a realistic and competitive salary range based on the congregation size and location. Vestries are strongly encouraged to review clergy salaries during annual budget development for cost-of-living adjustments and other increases.

Part-Time Clergy

Part-time positions are to be calculated as a percentage of scheduled days to be worked per week against five days. For example, compensation for a half-time position (2.5 scheduled days per week) would entail the following:

- 50% of the full-time minimum standard cash salary
- Housing allowance designation for whatever portion of the cash salary the clergyperson requests, and/or the provision of a rectory (with up to the fair market rental value subtracted from cash salary)
- Pension premium amounting to 18% of total assessable compensation
- Items that are negotiable include: Self-employment (SECA) reimbursement, Health insurance, Dental, Long-term Disability and Life Insurance, a budgeted amount for travel, a budgeted amount for continuing education and an agreement on paid versus unpaid leave.

There is inherent variability in a part-time position, based on the season and individual requirements of the faith community. If unscheduled work becomes a regular expectation, clergy may request a review of position status.

Other Clergy Compensation

Clergy Housing

The housing allowance, or "parsonage allowance" as termed by the IRS, must conform to the tax code. The Clergy Housing Allowance Clarification Act of 2002 clarifies the "fair rental value" test for those clergy who own their own home. The fair rental value of a fully furnished home, plus utilities, is used as the target amount that reflects the cost of either clergy-owned or church-provided housing in local markets.

The housing allowance is not subject to income tax but is subject to self-employment tax. The terms "housing allowance" or "parsonage allowance" assume an inclusion of housing, utilities, furnishings, etc. Even though clergy receive a tax benefit from the housing allowance, they are still allowed to deduct mortgage interest and real estate taxes as itemized deductions.

The housing allowance is reported in Box 14 of the W-2, which is an information-only box, and should be noted as something like "Parsonage - $XX" or "Section 107 Allowance - $XX" (Section 107 of the Internal Revenue Code outlines the housing allowance.)

The amount of a housing allowance is entirely the cleric's discretion but must be designated by their employer's governing board (typically prior to the beginning of the next fiscal year) and done in advance of the allowance being taken. An allowance cannot be acted upon retroactively to suit a situation. Clergy and employers are encouraged to discuss any needed amendments for the upcoming year. Housing resolutions are prospective in nature and cannot look backward prior to the point of revision. Sample housing allowance resolutions can be found in Appendix A (page 19).

If a cleric is provided a rectory, the employer may pay the cost of utilities either by direct payment or through a utility allowance to the cleric. The Vestry or Bishop's Committee should also designate a portion of the cleric's cash compensation as a housing allowance. The amount of this allowance is the cleric's decision and should be near the amount of allowable housing expenses that will be actually paid *by the cleric*. The utility and housing allowances must be documented and reported as above.

For assistance in determining an appropriate amount to designate for the housing allowance, see the worksheet provided in Appendix B (page 20). Please consult with a tax professional for more information.

Housing Allowances for Clergy Couples

Clergy couples are limited to the equivalent of one housing allowance between the two incomes. In this instance, clergy need to be mindful of the amount requested by each spouse in the annual housing allowance resolution of their respective Vestry or Bishop's Committee.

Clergy Housing – Equity Assistance/Shared Equity

As a means to attract highly qualified clergy to open positions in faith communities, a "shared equity" arrangement may be a tool in negotiating a Letter of Agreement (LOA). If a shared equity agreement is utilized, it must be part of the LOA (or a revised LOA) agreed to by the cleric, Vestry or Bishop's Committee, and the bishop. In short, "shared equity" means that the cleric and the church will be partial owners of a purchased residence. This is a legal arrangement, and the use of a real estate attorney is recommended to make sure that titling is appropriate for Kansas.

As a result of this split ownership, this property is not fully church-owned and so does not qualify to be free of property tax. There are several models to use in such arrangements. The most common involves a simple "percentage of ownership" based on the purchase price. The same percentage is then used at the time of sale to divide proceeds (assuming any capital improvements were shared equally). As this is typically done to facilitate down payments, it is common to have a buyout provision after three or five years, giving clergy the ability to repay the church their proportionate and current ownership share to own the house outright.

Clergy Self-Employment Tax (SECA) Reimbursement

Clergy are considered self-employed for Social Security tax purposes. This means the cleric is responsible for paying self-employment tax on income earned through their employment by a faith community. Though not normative in Kansas, employers may pay a portion of a priest's self-employment tax (typically half, which is 7.65% of cash compensation and housing allowance). SECA reimbursements are to be reported to the Church Pension Group and are pension assessable.

Note: This only applies to income derived from ecclesiastical employment. Compensation paid by secular employers to clergy falls under a different section of the tax code. Please consult with a tax professional for more information.

Clergy Income Taxes

Except for Sunday supply clergy, a cleric's income should be reported to the IRS on Form W-2 (***not*** on Form 1099) at the end of the year. With clergy's "self-employed" status, clergy are exempt from mandatory federal and state income tax withholding but are required to make quarterly Estimated Tax payments. Some clergy find voluntary withholding a helpful alternative to filing quarterly Estimated Tax payments. Any amounts withheld for self-employment tax should be reported to the IRS as federal income tax withheld, not as Social Security taxes. Clergy and parishes should consult with a tax professional for assistance with clergy income taxes.

Supply Priest Compensation

Beginning in 2027, the compensation for Sunday supply priests is $150 for one service and $200 for two services in one location on the same morning. This covers time for sermon preparation, service planning, etc. Time spent providing pastoral care, such as hospital calls, should be paid at a minimum rate of $37 per hour. Reimbursement for travel mileage must be paid at the standard rate published annually by the IRS. Reimbursement of other expenses, such as meals or lodging, may also be appropriate.

Per the US Tax Code, supply priests who receive more than $2,000 from a single faith community (apart from mileage and travel reimbursement) should be issued a Form 1099-NEC by the faith community at the end of the year.

Compensation for Deacons

A deacon (non-transitional) serves their assigned congregation or institution an average of eight to ten hours per week without compensation. If the congregation or institution wishes for the deacon to do work beyond eight to ten hours, compensation may be paid based on a mutual agreement between the deacon, the employer, and the bishop (who oversees the work of deacons). Minimum compensation amounts for priests and transitional deacons do not apply to deacons. All arrangements should be documented. See *Honoraria and CPG Contributions for Non-stipendiary Clergy* (page 9) and for more information.

Lay Employee Compensation

The Episcopal Church supports fair and just living wages for all lay employees. Whenever possible, strive to ensure all employees earn a minimum of $15.00 per hour.

Special tax rules associated with housing allowances and housing provided by faith communities *do not* apply to lay employees. If housing is provided to a sexton or some other employee, the fair value of that housing must be added to their compensation on their Form W-2 at the end of the year.

Faith communities must comply with federal and state tax regulations regarding lay employees. Amounts withheld from employees' pay for Social Security, Medicare, federal and state income taxes and the employers' Social Security and Medicare payment for lay employees must be paid to the IRS or Kansas Department of Revenue at the time and manner required by law.

Benefits

The Church Pension Fund is the only authorized administrator of the clergy and lay employee pension systems, including life, accident and health benefits, for The Episcopal Church. Access to certain benefit plans is based on the annual hours an employee is scheduled to work. These benefit hours are described below and summarized in the chart in *Appendix D – Minimum Benefit Eligibility Table* (page 22).

Any discrepancies between this summary and the applicable plan documents shall be governed by the plan documents.

Employee Pension

Clergy Pension Plan

All priests and deacons in The Episcopal Church employed in a compensated role with a congregation or institution are required to participate in the Clergy Pension Plan, and employers are required to contribute to the Clergy Pension Plan on their behalf. Apart from pension payments in retirement, participants receive life insurance and disability benefit coverage, benefiting the cleric's family and the employer, respectively. Pension fund contributions are assessed at 18% of Total Assessable Compensation (TAC), the sum of all cash compensation (including stipend, housing allowance, utilities allowances, bonuses, one-time cash payments, tuition paid for dependents, any salary reduction arrangements, or employer contributions used to fund annuity, tax-sheltered annuity, or other 403(b) plans) plus SECA reimbursements and a CPG-calculated housing value (if housing is provided).

Honoraria and Pension Contributions for Non-stipendiary Clergy

Each congregation or institution in Kansas that is *actively served* (see below) by a non-stipendiary clergyperson (bishop, priest, or deacon) should offer an honorarium of at least $25 per month, enrolling the cleric in the Church Pension Fund and paying assessments on their behalf, provided the clergy person meets the following criteria:

1. Canonically resident in the Episcopal Diocese of Kansas.
2. Is or is expected to be actively serving the same congregation or institution for five or more consecutive months.
3. Under the age of 72.

Actively served is defined as meeting any *one* of the following criteria:

- Has a Letter of Agreement (or other employment contract) with the congregation or institution
- Is duly called by the bishop, vestry or rector
- Has a formal title indicating an ongoing substantial relationship with the employer
- Receives a Form W-2 or equivalent from the faith community
- Is scheduled to work at least 20 hours per week

It is the prerogative of the clergyperson to decline the offer of the honoraria. Congregations and institutions that find they cannot accommodate the cost of the honorarium must inform the bishop.

Lay Pension Plan

The Episcopal Church Lay Employees' Defined Contribution Retirement (Lay DC) Plan is a 401(a) and 403(b) plan held through Fidelity Investments. It must be adopted by the Vestry or Board and establishes hour minimums and contribution rates within the required parameters that are applied equally to all qualifying lay employees.

All lay employees scheduled to work a minimum of 1,000 hours annually for any congregation or institution *must* be offered participation in the Lay DC plan. Employers may also provide pensions for lay employees scheduled to work fewer than 1,000 hours per year but are not required to do so.

The minimum employer contributions to a qualified lay employee's plan are a 5% base plus an employer match of employee contributions up to 4%.

See the employer's plan adoption agreement for specific requirements. For more information, or to receive information about participating in the Lay Pension plan, please contact the Institution Administrator or Comptroller Couri Reinholtz, creinholtz@episcopal-ks.org or (785) 235-9255.

Medical and Dental Insurance

All employees who are scheduled to work more than 1,500 hours annually *must* be offered health coverage for the employee and their immediate family and dependents through the Episcopal Church Medical Trust, unless a qualified waiver has been approved by the bishop. Employers *may* offer health coverage to employees scheduled to work between 1,000 and 1,500 hours annually as long as the same coverage hour minimums and employer contributions are offered equally to all 1,000-1,500-hour employees who qualify.

All employers within the Episcopal Diocese of Kansas required to offer medical and dental insurance *must* do so through the Church Pension Fund and its Episcopal Church Medical Trust. Plan offerings and premium rates are published by October 1 each year with the annual update of this handbook, see *Appendix E – 2027 Medical and Dental Insurance Plans* (page 23).

Minimum Employer Contribution

The Episcopal Diocese of Kansas believes that protection from catastrophic medical costs is a basic benefit of employment. A minimum employer contribution is required for clergy and lay employees who are scheduled to work at least 1,500 hours annually.

The minimum financial contribution required to be paid by the employer toward an eligible employee's purchase of medical benefits is no less than the employee's chosen plan at the employee-plus-one rate. (If the employee is the only member of their eligible household or elects individual coverage, the minimum financial contribution is the employee-only rate.) Unless other arrangements are made and articulated in an employment agreement, employees who choose the family coverage tier and/or dental insurance pay the premium differential.

The least expensive non-MSP (Medicare Secondary Payer) plan is typically a Consumer-Directed High Deductible (CDHP) plan with a Health Savings Account (HSA). When that plan is selected, employers must contribute to the employee's HSA at least the monthly premium differential between the CDHP and PPO80 plan at the same coverage tier; employers *may* make HSA contributions up to the annual contribution limit established by the IRS.

The Episcopal Diocese of Kansas encourages employers to fully fund the medical benefits of their eligible employees when possible.

Employee Assistance Plan

Employees with insurance through the Episcopal Church Medical Trust are automatically enrolled in the Employee Assistance Program through Cigna.

A standalone EAP (EAP-only) plan is offered for employees who are eligible for Episcopal Health Plan (EHP) coverage but decline the coverage. Employers that elect to enroll employees who waived EHP coverage as qualified opt-outs must pay for the Standalone EAP coverage. Requiring employees to contribute toward the cost of the Standalone EAP is a violation of the Affordable Care Act and will subject the employer to significant penalties.

Eligibility for the Standalone EAP Plan is limited to employees who are eligible for EHP coverage and decline to enroll in the coverage. All employees of an employer that offers the Standalone EAP Plan who decline EHP coverage must be enrolled in the Standalone EAP Plan.

Annual Enrollment

Annual Enrollment generally runs each year through parts of October and November. For specific information, please visit the EDOK website. Currently enrolled employees will receive a notice from the Medical Trust approximately one week before the Annual Enrollment period containing access and benefits information. Eligible non-enrolled employees should be notified that they may enroll themselves and/or their dependents during this period.

During the Annual Enrollment period

- Current plan members may change their plan selections for the following year
- Eligible non-participating employees have the option to join a plan
- Eligible non-participating dependents may be added to a member's plan without the need for a qualifying event

Expense Reimbursements

Clergy and lay employees are commonly reimbursed for certain expenses incurred while performing their duties. The kinds of expenses that are commonly paid are travel, meals and entertainment, lodging, meeting/event registrations, and continuing education. There may be tax considerations for the person who is paid reimbursements.

Allowances or Reimbursements: Payments of "business" expenses are included in a clergy person's or lay employee's taxable income (on their W-2 form) unless the payments are through an "accountable" reimbursement plan. An accountable plan:

1. Reimburses only those expenses that are substantiated, within 60 days of the expenses, as to the amount, date, place and business purpose of the expenses, *and*
2. Requires any excess reimbursements (reimbursements exceeding substantiated expenses) to be returned within 120 days.

If an employee is paid a monthly allowance for travel, continuing education, or other expenses, but is not required to account for their expenses as indicated above, then the amounts paid must be added to their taxable income on their W-2 form at the end of the year.

Automobile expenses: Automobile expenses can be paid based on either the actual costs of operating the car for business or on a standard mileage rate. The standard mileage rate is the commonly used form of reimbursement. If mileage is paid at a rate greater than the rate set annually by the IRS, the excess amount is taxable income and must be added to the employee's W-2 form. Mileage paid for commuting to the person's regular place of work is similarly non-exempt and should not be reimbursed or must also be added to the W-2 form.

Computers, equipment, books, vestments and other purchased items: As a rule, any items purchased by an employee that are reimbursed by the faith community, or items that are purchased for the use of an employee by the faith community, become the property of the faith community. An exception to this rule includes items that have a useful life of less than one year. If reimbursed or purchased items are retained by the employee when their employment terminates, the person should pay the faith community for the fair market value of those items or that value should be added to their final W-2 form.

Medical insurance premiums: Faith communities may pay an allowance for or reimburse an employee for premiums paid for their spouse's medical insurance. This is usually done when the employee remains on their spouse's employer's health plan rather than participating in the Episcopal Church Medical Trust. Such payments may not be exempt from taxation like medical insurance premiums paid to the Episcopal Church Medical Trust and could be added to the clergy or lay employee's W-2 form. It is advisable to obtain the advice of a tax professional before engaging in these arrangements.

Non-reimbursed business expenses: If an employee pays for business expenses without reimbursement from the employer, they may be able to deduct those expenses on Schedule A of their Form 1040 tax return under "miscellaneous business expenses." Please consult a tax professional for guidance.

Time Off and Leaves of Absence

Paid Time Off

Lay PTO

Paid Time Off (PTO) is a benefit provided for all full-time lay employees, and it encompasses vacation, sick time, and personal time off under the following schedule of years with the employer:

Years of Service to Employer	PTO Allowed
0-3 years	4 weeks/20 days
4-10 years	5 weeks/25 days
11+ years	6 weeks/30 days

Unless approved by a supervisor, PTO cannot be used for the first ninety days of employment. Unless otherwise agreed to and articulated within an employment agreement, PTO must be used by the end of the calendar year and *does not carry over*. Unused PTO is not eligible for conversion to cash payout at the end of a year or employment. Lay employees with regular Sunday work should limit themselves to taking no more than five Sundays off per calendar year. Significant health matters that require more PTO than allocated should be discussed with the Supervisor and may result in short- or long-term disability.

PTO is prorated for part-time employees and calculated at the same percentage of time hired. e.g. If employment is 50% (half-time), the PTO allocation in 0-3 years is 2 weeks/10 days; 4-10 years is 2.5 weeks/12.5 days; 11+years is 3 weeks/15 days.

Additional PTO may be granted based on years of experience. If this is the choice of an employer, it should ensure that this practice is applied consistently to all employees and not only when negotiated or requested.

Clergy PTO

Paid Time Off (PTO) is a benefit provided for all full-time clergy employees, and it encompasses vacation and personal time off under the following schedule of years with the same employer.

Years Of Service	PTO Allowed	Sundays
0-3 years	4 week/20 days	inclusive of 5 Sundays
4-10 years	5 weeks/25 days	inclusive of 5 Sundays
11+ years	6 weeks/30 days	inclusive of 5 Sundays

Unless approved by the vestry or supervisor, PTO cannot be used for the first 90 days of employment. Unless otherwise agreed to and articulated within an employment agreement, PTO must be used by the end of the calendar year and *does not carry over*. Unused PTO is not eligible for conversion to cash payout at the end of a year or employment.

Vestries are encouraged to use the same schedule for part-time clergy serving as rectors or priests-in-charge to attend to the wellbeing of clergy who are often expected to handle a similar weight of work if not the same time expectation. A letter of agreement may stipulate a different kind of arrangement for PTO. e.g. ¾ time (75%) could work three weeks per month with one week off or work nine months of the year with three months off. All expectations regarding PTO shall be codified in a letter of agreement or other employment contract.

Additional PTO may be granted based on years of experience. If this is the choice of a faith community, it should ensure that this practice is applied consistently to all employees and not only when negotiated or requested.

Continuing Education

Continuing education is a requirement of all active priests and deacons. Unless otherwise agreed to and articulated within an employment agreement, employers must make provision for clergy continuing education by allowing up to two weeks of paid continuing education leave in addition to general PTO.

The diocese and its faith communities and institutions benefit from well-formed, continually-learning clergy and should provide financial support to help make continuing education possible. Diocesan funds for clergy continuing education are also available to supplement personal and employer resources. Clergy may inquire about fund parameters and availability through the Canon to the Ordinary.

Holidays

All non-exempt employees receive pay for a holiday if it falls on their regular workday. If any employee must work on a holiday due to the nature of their job (i.e. priest or organist works midweek Christmas Day), they should be allowed to flex their time on terms agreed upon with the

vestry or their supervisor. When anticipated and approved in advance, flexible time off and office/church closures shall be allowed, within reason. This flexibility will occur within the same work week for all employees, particularly those who are non-exempt. Additional pay for non-exempt employees working a holiday may be considered but is not required by law.

Leaves of Absence

Family Leave

The Episcopal Diocese of Kansas supports the provision of family medical leave for clergy and lay employees. While most congregations and institutions in the diocese are not legally bound by the parameters of the Federal Medical and Family Leave Act (FMLA), employers are encouraged to offer up to twelve weeks of unpaid family leave during a twelve-month period for an employee's own serious health condition, or to care for an immediate family member (spouse, child, parent for whom the employee has primary care responsibilities) who has a serious health condition. Employees shall provide a supporting statement from their primary physician.

1. Eligible employees will have worked for their employer for a minimum of twelve months prior to the requested leave.
2. Family leave can be continuous or intermittent but cannot exceed twelve weeks in twelve months.
3. The twelve-week leave is unpaid and must be taken concurrently with PTO or other paid leaves (e.g. vacation, parental leave) to continue pay.

Parental Leave

Parental leave, for people of all genders, shall be granted for a period of twelve weeks with full salary, housing, and benefits. Leave may begin prior to the birth of the child or within the first three months following the birth or adoption. Adoptive parents shall be granted the same minimum leave, with full salary, housing, and benefits.

Employees seeking parental leave will notify their supervisor at least two months in advance of their anticipated leave. The employer will make provisions for the continuation of organizational functions during the leave period.

Where applicable, the employer will utilize the Church Pension Group's short-term disability policy for clergy parental leaves. Likewise, lay professionals who have short-term disability coverage may access short-term disability following the birth.

Bereavement Leave

Employees receive three days paid bereavement leave for the death of a "close relative." Bereavement leave may include a Sunday. Close relative: spouse, parent or stepparent, parent or stepparent of current spouse, mother-in-law, father-in-law, child or stepchild, brother, stepbrother or half-brother, sister, stepsister or half-sister, brother-in-law or sister-in-law, grandparents

(including grandparents of current spouse) or grandchild. Additional time and/or flexibility may be granted in consultation with a supervisor.

Military Leave

The Episcopal Diocese of Kansas recognizes the obligation of those employees serving in any branch of the military or other uniformed services of the United States. Employment status within the organization is protected by federal and state military leave provisions.

Leave and Re-Deployment
Employees who serve on active or reserve duty will be granted a leave of absence up to the maximum time required by law. EDOK is committed to preserving the job rights of employees absent on military leave in accordance with law.

Clergy will Remain in Good Standing
Clergy under the jurisdiction of the Bishop for the Armed Forces and Federal Ministries (BAFFM) as chaplains and who remain canonically resident in Kansas are encouraged to maintain good relations with the ordinary and the diocese. The context for a chaplain's ministry may be the armed forces, Veterans Administration, or federal prison, but chaplains are first and foremost members of a clericus and therefore, members of their diocese. For chaplains endorsed by the BAFFM, the bishop is responsible for the professional supervision of their ministry. The chaplain is responsible for maintaining good standing with BAFFM to fulfill requirements for continued endorsement. All matters related to the clergy's priesthood and any parish or diocesan ministry are under the canonical authority of the Bishop of Kansas.

Compensation
Military leave is unpaid. Employees on unpaid military leave may choose to apply vacation or sick/personal days to their absence.

Health Care Continuation
Employees on military leave can continue group health insurance for up to 36 months (through its Extension of Benefits program). If the leave is longer than 30 days, the employee must pay the full premium for the coverage plus a small administrative fee. For additional information on health care continuation contact the Benefits Administrator.

Notification of Supervisor
Employees are expected to inform their supervisor of their need for military or spousal leave as far in advance as possible. Employees also must submit a copy of the military orders to parish leadership.

Military Family Leave
Exigency Leave or Military Caregiver Leave may run concurrently with FMLA, where applicable.

Jury Duty

Time off with pay will be granted when an employee is called for jury duty. Compensation may be reduced by any amounts received for the jury duty. Time off with pay for jury duty exceeding two weeks is at the discretion of the bishop.

Sabbatical

The diocese recognizes that employees and parishes can benefit when employees are provided with time for personal and spiritual refreshment and professional growth. Accordingly, it is policy to authorize both lay and clergy employees to take periodic sabbaticals.

An employee's full salary and benefits will continue to accrue and be paid following the normal payment cadence while the employee is on sabbatical. Any employee deductions are to be continued while on sabbatical.

Eligibility to Request a Sabbatical
All full-time or salaried employees who have completed five years of continuous service with their employer and who have not taken a sabbatical in the past five years are eligible for a paid sabbatical as set forth in this policy.

Unused sabbaticals *will not* be paid out upon the termination or departure of an employee.

Sabbatical Length and Timing
Sabbatical leave is accrued at two weeks for each year served, not to exceed fourteen weeks, and may be taken between five and seven years of service.

Purposes for Which an Employee May Take a Sabbatical
Eligible employees may request a sabbatical for any reason not covered under any other leave benefit.

Requesting a Sabbatical
To request a sabbatical, an eligible employee must submit a written request to their supervisor or, in the case of a senior cleric, to their employer's governing board (vestry, bishop's committee, or Council of Trustees) at least six months prior to the anticipated sabbatical.

Requests should include:

- the anticipated date on which the sabbatical will commence;
- the employee's anticipated return date;
- an initial plan for coverage of work responsibilities during the employee's sabbatical;
- the employee's plans for the sabbatical;
- the employee's goals for the sabbatical; and
- a written statement stating how a sabbatical will help the employee achieve the stated goals for the sabbatical.

Preparation for Sabbatical

Prior to an eligible employee's sabbatical, the employee will be responsible for working with their supervisor and governing board to develop a plan for covering their duties during their sabbatical. To help ensure an orderly transition of work prior to a sabbatical and an orderly return to work from sabbatical, employees going on sabbatical will not be permitted to use vacation leave during the eight weeks prior to or following a return from a sabbatical.

Employers are encouraged to include within their annual budget a line item for a reserve fund to cover the cost of sabbatical expense.

Returns from a Sabbatical

The diocese reserves the right to terminate an employee's sabbatical for any lawful reason at any time, upon notice to the employee.

If an employee does not return to work at the end of a sabbatical or sooner if directed to do so by the bishop, the employee will be considered to have voluntarily terminated employment. Similarly, if an employee accepts employment with another employer during a sabbatical without the prior written approval of bishop, the employer should consider the employee to have resigned employment effective on the date the employee's new employment commences.

Sabbaticals are not intended to be used to end employment. Employees agree to remain employed for at least one year following the sabbatical or agree to reimburse the cost of the employee's compensation for the sabbatical time received. In extenuating circumstances, the bishop may choose to waive the reimbursement provision.

Appendices

Appendix A – Sample Housing Allowance Resolutions

Resolution of CONGREGATION NAME, CITY, Kansas

December XX, 20XX

1. If the clergy person lives in his or her own house or rents a non-church owned house

Whereas the Rev. NAME is employed as a minister of the Gospel by CONGREGATION NAME, CITY, Kansas, which does not provide a residence for *her*, the Vestry (or Bishop's Committee) resolves that of the total annualized compensation of $(total amount) to be paid to the Rev. NAME during 20XX, that $(housing allowance amount) be designated a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code. This stated parsonage allowance will remain in effect unless modified by this body.

2. If the clergy person lives in church-provided housing

Whereas the Rev. NAME is employed as a minister of the Gospel by CONGREGATION NAME, CITY, Kansas, which, although providing a residence for *him*, does not provide the full cost of maintaining and furnishing such a residence, the Vestry resolves that of the total annualized compensation of $(total amount) to be paid to the Rev. NAME during 20XX, that $(housing allowance amount) be designated a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code. This stated parsonage allowance will remain in effect unless modified by this body.

Appendix B – Worksheet for Estimating Housing Allowance

$	Rent or House Payment	
$	Insurance (property and contents)	
$	Total Utilities	
	$	Electric
	$	Gas
	$	Water/Sewer
	$	Trash/Waste
	$	Telephone (landline only)
	$	Internet
	$	Other
$	Total Home Furnishings Purchases	
	$	Appliances
	$	Decor
	$	Furniture
	$	Electronics
	$	Tools and Equipment
	$	Misc.
$	Yard Maintenance Landscaping, Gardening, Pool	
$	Supplies (lightbulbs, cleaning supplies [not clothing], etc.)	
$	Other	
	$	Homeowners' Association Dues
	$	Closing Costs and Down Payment (only claimable in the year of purchase)
	$	Home Equity Loan Payment
	$	Improvements/Remodeling
	$	Maintenance/Repairs
	$	Rental Security Deposit
	$	Housing Taxes (if not included in House Payment)
$	Total Protected Expenses	

Appendix C – Employee Classifications

Full-Time Clergy: Clergy scheduled to work 5 days per week, including Sunday worship. Full-time clergy are typically eligible for all benefit plans. These are exempt positions paid on a salaried basis and not eligible for overtime.

Part-Time Clergy: Clergy scheduled to work fewer than 5 days per week. Compensation is prorated based on scheduled hours. Refer to the chart below for benefits eligibility. These are exempt positions paid on a salaried basis and not eligible for overtime.

Full-Time Lay Staff: Staff regularly scheduled to work 40 or more hours per week. In general, hourly positions are eligible for overtime. Professional and managerial positions are salaried and typically exempt from overtime. Refer to your job description for your exempt status. Full-time staff are eligible for some benefit plans.

Part-Time Lay Staff: Staff regularly scheduled to work 39 or fewer hours per week. These positions may be hourly non-exempt or salaried exempt. Refer to your job description for your exempt status. Part-time staff are eligible for some benefit plans.

Independent Contractors: Independent contractors are not employees and are responsible for their own taxes and benefits. Contractors may provide support for a specific project or provide non-core services on an ongoing basis. (e.g. Human Services, IT Services).

Appendix D – Minimum Benefit Eligibility Table

	CLERGY FULL-TIME	CLERGY PART-TIME	LAY FULL-TIME	LAY PART-TIME
COMPENSATION	Salaried	Salaried	Varies by position	Varies by position
EXEMPT STATUS	Exempt	Exempt	Varies by position	Varies by position
HEALTH INSURANCE	Employer minimum contribution coverage found in annual diocesan Compensation & Benefits Handbook	**1,500-2,079 hours per year:** Eligible for employer minimum contributions **1,000-1,499 hours per year:** Coverage available at employee cost **<1,000 hours per year:** Ineligible	Employer minimum contribution coverage found in annual diocesan Compensation & Benefits Handbook	**1,500-2,079 hours per year:** Eligible for employer minimum contributions **1,000-1,499 hours per year:** Coverage available at employee cost **<1,000 hours per year:** Ineligible
DENTAL INSURANCE	Employee paid	1,500 hours+ per year: Employee paid	Employee paid	1,500 hours+ per year: Employee paid
PENSION	18% of total assessable compensation	18% of total assessable compensation	5% employer base contribution plus match up to 4%	*Must work 1,000 hours per year to receive* 5% employer base contribution plus match up to 4%
EMPLOYEE ASSISTANCE PLAN (EAP)	Included in ECMT health plans; EAP-only plan available at employer cost for eligible employees who opt out of ECMT insurance	Included in ECMT health plans; EAP-only plan available at employer cost for eligible employees who opt out of ECMT insurance	Included in ECMT health plans; EAP-only plan available at employer cost for eligible employees who opt out of ECMT insurance	Included in ECMT health plans; EAP-only plan available at employer cost for eligible employees who opt out of ECMT insurance

Appendix E – 2027 Medical and Dental Insurance Plans

The Episcopal Diocese of Kansas			
2027 Episcopal Church Medical Trust Monthly Insurance Plan Premiums			
Medical Insurance Plan	**Employee**	**Plus One**	**Family**
Anthem BCBS PPO 80	$1,367	$2,461	$3,828
Anthem BCBS CDHP20*	$1,170	$2,106	$3,276
Anthem BCBS PPO 80 MSPˇ	$1,091	$1,964	$3,055
Cigna EAP-only	$4	$4	$4
Dental Insurance Plan^	**Employee**	**Plus One**	**Family**
Delta Basic	$43	$77	$118
Delta Comprehensive	$64	$115	$176
Delta Premium	$86	$155	$235

* *Premium-only. Diocesan policy requires parishes to contribute to an HSA at least the monthly premium differential between the same tier PPO80 and CDHP20 plans*

^ *Diocesan policy requires parishes to make dental insurance available by, at least, payroll deduction.*

ˇ *Medicare as Secondary Payer*