

U.S. EFC Full-Time Employee Benefits Policy

Adopted by the 3rd Executive Board Meeting in 2001
Notification : EFCGA Official Letter

Last Amended by the 2nd and 3rd Executive Board Meeting in 2006

(The term of Organization includes EFCGA)

This Personnel Benefits Policy is for employees of EFC churches in the United States. For regions outside of the U.S., adjustments need to be made to accommodate local needs.

I. Vacation

1. Employees of church/ organizations who have worked for a full year but less than five years shall receive ten working days for vacation every year.
2. Employees who have served for five years, but less than ten years, may take fifteen working days for vacation every year.
3. Employees who have served for ten years or longer may accumulate one extra working day for vacation for every year of service beyond ten years, but shall not exceed taking twenty working days for vacation per year.
4. One must have served one full year prior to utilizing vacation time.
5. Full honorarium and benefits remain in effect during vacation time.
6. Vacation accumulated from the previous year is better to be used up in the current year. Any unused vacation time must be used up by the end of next year.
7. Vacation time shall be accumulated from the first day of work and shall not be affected by transfers within the EFC churches/organizations. Should employment be interrupted, vacation time shall start over.
8. Should employment transfers occur, the accumulated vacation needs to be used up before transferring to the new EFC church or organization. However, for the case of employment termination or retirement, the unused vacation may be compensated in salary at the rate of one-thirtieth (1/30) of the current salary (without the fringe benefits) for each vacation day.
9. Non full-time employees (those who work more than 20 hours per week, but less than 40 hours a week) shall have their vacation days calculated weekly and be pro rated against full-time employees' hours.
For example, vacation time for the 32 hours for the first week of work is calculated as follows:
 $(32/40) \times (10/52) \times 8 = 1.23$ hours

II. Legal Holidays- Only for Full-Time employee

1. Seven legal holidays are recognized for the year:

a. New Year's Day	a. Thanksgiving Day
b. Memorial Day	e. The day after Thanksgiving
c. Independence Day	f. Christmas Day
d. Labor Day	
2. Should a legal holiday occur on a Saturday, Sunday or on a traditional holiday (such as : full-time pastors and ministers' regular time-off on Mondays), another day may be designated as a legal holiday and the date must first be approved by the church or organization.

III. Sick Leave- Only for Full-Time employee

1. Three-fourth of one day (six hours) may be accumulated every month, for up to a maximum of nine days in a year for sick leave. Unused sick leave may be accumulated for up to 60 working days. Unused sick leave may not be compensated in salary.
2. Sick leave may be used to care for full-time employee's spouse, children and parents. Sick leave may also be used to take care of personal emergency matter with the approval of supervisor.
3. The secretary of church or organization is responsible for recording sick leave and vacation.

IV. Bereavement

1. Full-time employee shall have three working days of bereavement leave per death in the family in the local area, five working days for out-of-area and seven working days for out of the country. Family includes spouse, children, parents, grandparents, siblings and parents-in-law.

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- V.** Disability
Policy is currently not in place.
- VI.** Sabbatical Leave—Only for Full-Time pastors and ministers(The Seminary may make adjustments according to need).

Sabbatical Leave may be categorized into two kinds: 1. Short-Term sabbatical leave 2. Leave of Absence

1. Short-Term Sabbatical Leave

- (1) EFC church/organization pastors and ministers who have served for more than one year may request an approval, with a study plan, from the church/organization for up to two weeks of sabbatical leave annually.
- (2) Unused sabbatical leave may be carried over into the next year (not to exceed four weeks in a year).
- (3) Sabbatical leave may not be used as a vacation.

2. Leave of Absence

- (1) Pastors and ministers who have served for more than ten years may request a temporarily leave of absence to pursue an advanced degree program, a special study , book writing or mission work. Time is limited to one-half of one year, but may be extended by one's church /organization.
- (2) Leave of absence requests should be submitted at least six months in advance. Details of one's work to be done during such a leave should be clearly addressed on the application and must be approved by the church/organization board.
- (3) In the event of transfer within EFC church/organization, one must have served at least three years in the new church/organization in order to apply. If the three years of service at the new church/organization and the years at a previous church/organization exceed ten years of service, then the surplus years may be carried over to the next set of ten years. Two leaves may not be requested within a five year period.
- (4) During one's leave of absence, full honorarium and medical and dental insurances shall be paid for by the employee's church/organization. Should subsidies come from outside sources, half of such subsidies shall be given to the church/organization.
- (5) After one's leave of absence, the said pastor or minister has an obligation to serve for at least one year at the church/organization. Otherwise, the said pastor or minister shall reimburse half of the monies received during his/her leave.

VII. Retirement of Full-Time Pastor/Minister and Employee

1. Full-time pastors/ministers or employees who receive 1099 or W2's but do not have 7.65% SSI paid, the respective church/organization shall make contributions of 10% of their monthly honorariums/salaries to the GA. Those who receive W2's with 7.65% SSI paid, the respective church/organization shall make contributions of 2.35% of their monthly honorariums/salaries to the GA.
2. For new churches founded by the GA, or full-time missionaries sent by the GA, the above contributions at an appropriate rate shall be made by the Mission and Church Planting Department until churches become independent or missions accomplished.
3. For new churches founded by local churches, or full-time missionaries sent by local churches, the said local church shall make the above appropriate contributions until churches become independent or missions accomplished.
4. The GA shall put the collected amount of contributions from each church/organization for their employees into each employee's 401K account. The retirement benefits policies for full-time employees outside of the U.S. area shall be made separately according to their local regulations.
5. 401K benefits for employees within the U.S.

Qualification: Full-time employees who are at least age 21 and work more than 1,000 hours per year.

Enrollment Date: May enroll or make any change every 1/1, 4/1, 7/1, 10/1. May terminate any time.

Personal Savings: Set by IRS

Church/Organization Payments: For pastors/ministers who use 1099 or W2 Forms without the 7.65% SSI paid by their church/organization , pay 10% of their honorariums/salaries. For employees and those who use W2 Form with the 7.65% SSI paid by their church/organization, pay 2.35% of their honorariums/salaries.

Ownership : One owns 100% of one's and Church/Organization's contributions.(Amended on 3/13/2004)

Loans: One may borrow 50% against one's account, (minimum \$1,000, maximum \$50,000). One loan per year, not more than two items. Interest is calculated at Prime Rate + 1%. Loans shall not exceed five years (monies must be paid back into one's own original account within

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	five years).
Withdrawals:	You may withdraw funds in the event of termination of employment, retirement, death, or permanent disability. Withdrawals that are not rolled over into an IRA or another plan may have penalty and tax to be paid.
Investment Choices:	One is free to invest in any desired form or product. Losses and gains are personal responsibility.
Reports:	Investment companies provide investment reports quarterly.

VIII. Medical and Dental Insurances

1. Full-time pastors/ministers and employees' spouses residing in the US and unmarried children may enjoy medical and dental insurance benefits. Unmarried children may buy into the insurance according to the age limit set by the insurance company. If one's spouse's work offers insurance coverage, then a monthly \$200 medical supplement may be requested from one's church/organization (Approved by the 2nd Executive Board Meeting in 2006)
2. Medical insurance selection guidelines should be decided by local church/organization.

IX. Full-Time Pastor/Minister's Other Benefits

1. Typical Reimbursements: such as phone, equipment, public relations performed for church/organization purposes.
2. If regarded as necessary, the church/organization may provide a vehicle for their senior pastor or their organization's executive to use. Car insurance, maintenance and repairs shall be paid by the church/organization regardless whether the vehicle was bought under one's name or under the church/organization's name. Transportation subsidies for other full-time pastors/ministers may be decided by local churches/organizations and or use IRS' mileage reimbursement rate.
3. When participating in events sponsored by the GA, the expenses associated with the minister and spouse, should be paid by the local church/organization. Local church/organization sponsored events should also follow these guidelines, but subsidies from the GA shall not be sought.
4. To enroll for courses at the seminary, the local church shall fully pay the fee for one course a year. Fees for more than one course a year shall be subsidized in half and the other half paid by oneself (the church may announce such needs and receive offerings from members who share the same burden). Approval for the senior pastor is needed from the church council and approval for other full-time pastors/minister's is needed from the senior pastor and church council. Not to exceed three courses per year.

X. Amendment

Amendment of this policy is to be drafted by the Benefits Department and approved by the Executive Board.