

EMPLOYEE HANDBOOK

November 1, 2014



Free Methodist Church – USA

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WELCOME!

We're delighted to welcome you to ministry in the Free Methodist Church – USA. Whether your new job is on the front-lines as a missionary to a far-away land, or in a support role at the World Ministries Center, your talents are needed, and we're thankful God has brought you to our team. We pray that the Lord will use you in a significant way to meet people's needs, and to bring glory to His name.

This Employee Handbook will provide you with an introduction to who we are, what we believe, and how we expect to work together. There won't be a quiz on its contents. But we suggest you keep it handy, as there's lots of information in here that you'll find helpful, and even important, at various times in your career.

Here's the legal part: The Free Methodist Church – USA retains the right at any time to change, modify, suspend, interpret, or cancel in whole or in part any of its published or unpublished personnel policies or employee guidelines or practices. Management decisions are final. The only exception is that our employment-at-will policy will not be changed or cancelled. That policy permits you or the FMC-USA to end the employment relationship at any time for any reason. Any references made to our group benefit programs are governed solely by those documents. This handbook supersedes all prior editions.

We're big on honesty around here. And we're committed to open, genuine relationships. So if you have any questions or concerns or great ideas, please don't hesitate to share them with any member of our leadership team at any time. *We're glad you're here!*

In Christ,

A handwritten signature in blue ink that reads "Larry Roberts". The signature is fluid and cursive, with a large initial "L" and "R".

Larry Roberts
Chief Operating Officer

This handbook is not an employee contract and is not intended to create contractual obligations of any kind.

WHO WE ARE

Free Methodism was born on August 23, 1860, in Pekin, NY. Influenced by the holiness movement Pastor Benjamin Titus Roberts and others in the Methodist Episcopal Church (the name for Methodism in America at that time) encouraged a return to the doctrines and practices of early Methodism and its founder, John Wesley. Their views were unwelcome, and a new denomination was formed: the Free Methodist Church.

Several key issues of the day helped give the new denomination its name:

- “Free” Methodists opposed slavery, championing every individual’s *freedom*. Many Methodist Episcopal Church members were slave owners.
- “Free” Methodists opposed the renting and selling of church pews, a common practice that effectively disenfranchised the poor, relegating them to benches in the back of the sanctuary. (John Wesley had *clearly* demonstrated a desire to reach and include the poor and downtrodden.) Free Methodists called for *free* seats for all and emphasized tithes and offerings—not income collected for seating or raised through bake sales and such—to support the church’s ministries.
- “Free” Methodists supported *freedom* in worship, in contrast to the deadening formalism so prevalent in the Methodist Episcopal churches of the day.

The newly named “Free Methodists” sought to maintain the heritage of original Methodism with its warm-hearted, biblical message and lifestyle. Free Methodism today continues to follow in the footsteps of its founders emphasizing faithfulness to the biblical message, personal and social holiness, a deep devotion to Bible study and discipleship, and a conservative outlook that translates into active concern for the poor and lost everywhere.

The inspired, authoritative Word of God is the basis of faith for Free Methodists. They endeavor to live their lives according to its teachings (James 1:22-25). Their churches offer Bible classes for all ages, preschool through adults, so that all may grow in grace and faith.

Free Methodists are among those who have experienced spiritual birth through faith in Jesus Christ, as explained by Jesus to Nicodemus in John 3:1-17. John Wesley, the founder of Methodism, described his own conversion by saying that when Christ came into his life, "My heart was strangely warmed." The life-changing miracle of spiritual birth makes a Free Methodist, or any other believer, "a new creation" (2 Corinthians 5:17). A personal relationship with Jesus Christ and an obedient walk with Him characterize Free Methodist Christians.

As a people, Free Methodists seek to be filled with the Holy Spirit (Ephesians 5:18), exhibit the fruit of the Spirit (Galatians 5:22-23) and live disciplined lives in accord with the Bible's teachings. The Bible speaks of being "sanctified," which has two meanings: set apart and cleansed. Being set apart

unto Christ and cleansed and filled by the Holy Spirit is more than a goal. It is a way of life taught in the Scriptures.

Free Methodists seek to worship God "in spirit and truth" (John 4:23). From church to church, and in multiple services of some local congregations, varieties of worship styles may be found. Yet, the heart of worship is to glorify God and receive biblical instruction.

The goal of Free Methodists is to represent Jesus Christ in their daily living. They do this both through the way they live and in sharing the gospel's good news with others. Not known to be "hard sell" in their witness, they seek to be humble and winsome in showing forth Christ through their lives and lips.

Because of their love for the Lord, Free Methodists follow His example in caring and in generosity. Their track record of compassionate outreach to those in need is seen not only in local congregations, but also in institutional ministries for those with needs Christians can help to meet.

Free Methodists have planted the church and its Christian witness across the North American continent and around the world in nearly 80 countries. As a Christian denomination, Free Methodists belong to the Lord and to each other, even though they speak many world languages. They also belong to various evangelical interdenominational associations.

Taking seriously the Great Commission of Jesus (Matthew 28:18-20), Free Methodists have gone across the street, into the inner city and around the world with the saving gospel of Jesus Christ. Local churches, followed by the denomination's Christian colleges, universities and seminary programs, train and equip men and women for Christian ministry at home and abroad.

The mission of the Free Methodist Church – USA is, "To love God, love people and make disciples." Our vision is, "To bring wholeness to the world through healthy, biblical communities of holy people multiplying disciples, leaders, groups, and churches."

By the end of 2011, the Free Methodist Church included some 1,000 U.S. churches, fellowships and church planting projects — with more than 76,000 members — and a worldwide membership of over one million.



STATEMENT OF FAITH

We believe the Bible is God's written Word, uniquely inspired by the Holy Spirit. It bears unerring witness to Jesus Christ, the Living Word. The Bible has authority over all human life.

We believe that there is one God, eternally existent in three Persons: Father, Son, and Holy Spirit.

We believe in the deity of our Lord Jesus Christ, in His virgin birth, in His sinless life, in His miracles, in His vicarious and atoning death through His shed blood, in His bodily resurrection, in His ascension to the right hand of the Father and in His personal return in power and glory.

We believe that for the salvation of lost and sinful man regeneration by the Holy Spirit is absolutely essential.

We believe in the present ministry of the Holy Spirit by whose indwelling the Christian is enabled to live a godly life.

We believe in the resurrection of both the saved and the lost; they that are saved unto the resurrection of life and they that are lost unto the resurrection of damnation.

We believe in the spiritual unity of believers in our Lord Jesus Christ.

MISSION AND VISION STATEMENTS

FMC-USA Mission Statement

To love God, love people and make disciples.

FMC-USA Vision Statement

To bring wholeness to the world through healthy biblical communities of holy people multiplying disciples, leaders, groups and churches.

Free Methodist World Ministries Center Mission Statement

The mission of the Free Methodist World Ministries Center is to provide leadership, services and resources to fulfill the mission of the Free Methodist Church – USA.

ORGANIZATION

Board of Administration

The FMC-USA General Conference is the legislative body of the church. It meets every four years. The Board of Administration is the administrative body of the church by the authority delegated by the General Conference. It meets twice per year between General Conferences.

Leadership and Operating Teams

Responsibility for the vision, mission and leadership of the FMC-USA rests primarily with the Board of Bishops. Responsibility for the operations of the FMC-USA rests primarily with the Chief Operating Officer (COO). Operations at the World Ministries Center are accomplished through various teams, including Finance, Communications, Missions, International Child Care Ministries, and Human Resources. The leaders of those teams comprise the Operating Committee, which meets monthly under the leadership of the Chief Operating Officer. Together, they coordinate the various teams so that all are moving in unity toward accomplishing the Great Commission God has given His church.

And for fun...

We have a Friendship Club, whose purpose is to promote good fellowship and physical and spiritual well-being among employees by means of planned activities. Members, who are employees, pay an annual fee that is matched by the administration to help fund the club. The Friendship Club has two subcommittees: "Activities" and "Spiritual Life" which plan activities and monthly chapels.



EMPLOYMENT POLICIES

Introduction

Employment policies covered in this manual are for employees of the FMC-USA. Employees have the right to work in surroundings that are free from all forms of unlawful discrimination. It is the policy of the Free Methodist Church – USA to comply with all applicable laws and regulations relating to the employer-employee relationship.

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at the FMC-USA will be based on merit, qualifications, and abilities. The FMC-USA does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, veteran status, marital status or any other characteristic protected by law. Certain positions allow Bona Fide Occupational Qualifications (BFOQ), which means the Free Methodist Church – USA is allowed to require an individual to have certain beliefs.

If you have a question or concern about any type of discrimination in the workplace, you are encouraged to bring the issue to the attention of your supervisor, the Human Resources Director, or the Chief Operating Officer. You may be assured that you may raise concerns and make reports without fear of reprisal. Further, anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

It is understood that those who accept employment will assist us in fulfilling our ministry and will treat our doctrines and standards with respect. All employees are expected to conduct themselves within the confines of Chapter 3 of the *Book of Discipline* of the FMC-USA.

Employees are encouraged to bring business problems to the attention of their supervisor who will assist, whenever possible, in resolving these problems.

You and your fellow employees do much to determine the success of the Free Methodist Church – USA. Your industry and giftedness are essential to our total ministry. You are a valuable asset. A complete understanding between you and your employer is always desired. Your confidence and satisfaction will make your working relationship pleasant and productive. During the first several weeks of your employment, you will have opportunity to get acquainted, ask questions, and assure yourself that this is God's place for you. Your supervisor and fellow employees are ready to help in your initial adjustments.

All personnel are expected to work together to fulfill the vision of the Free Methodist Church – USA. Good judgment, coupled with a spirit which cares enough to confront in love when differences arise, will prove a strong foundation for sound, healthy relationships all around. The aim is healthy biblical community.

Employment-At-Will

All employees are employed at-will by the FMC-USA for an indefinite period. The employment-at-will policy permits the FMC-USA or the employee to end the employment relationship at any time for any reason.

Immigration Law Compliance

The FMC-USA is committed to employing only United States citizens and aliens who are legally authorized to work in the United States. We also do not unlawfully discriminate on the basis of citizenship or national origin.

In order for us to comply with the Immigration Reform and Control Act of 1986, all new employees, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and provide documentation that establishes their identity and eligibility for employment. Former employees who are subsequently rehired must also complete an I-9 and provide appropriate documentation if 1) they have not completed an I-9 with the FMC-USA within the past three years, or 2) their previous I-9 is no longer valid or was not retained.

Employment Applications

The FMC-USA relies on the accuracy of the information provided on the employment application, as well as the accuracy of other data presented during the hiring process and employment. If there are any misrepresentations, falsifications, or material omissions in any of this information, we may exclude that applicant from further consideration. If the person was already hired, it could result in termination of employment.

Employee Personnel Files

It is the policy of the FMC-USA to keep accurate and updated information pertinent to your employment in secure personnel files. For that reason, you have a personnel file that is maintained by the Human Resources department. This contains your application, performance reviews, benefits forms and payroll information. The FMC-USA strives to maintain these files in the strictest confidence. Additionally, there is a separate confidential file for all medical related information such as group health care, worker's compensation medical information, or medical information obtained from any physical exam or physician prognosis. A third (separate and confidential) file containing I-9 Forms and related documentation establishing your right to work in this country will also be maintained.

It is important to you and the FMC-USA that all records are kept up to date. It is the employee's responsibility to report the following changes in writing to the Human Resources Department.

1. Name, address, and telephone number
2. Person to notify in case of an emergency
3. Insurance or pension beneficiaries
4. Educational level and achievements
5. Marital status or family status that will affect benefits
6. Additional education or training received
7. Income tax exemptions

Access

Personnel files are to be reviewed in the Human Resources department and may not be taken outside the department.

Managers, supervisors, and other employees may have access to personnel file information only on a need-to-know basis, in the course of employment in accordance with applicable laws. All employees with access to personnel files will be required to sign a confidentiality agreement prior to access.

Employees are to have reasonable access to personnel, medical, I-9 and safety records during business hours. Employees may make copies at their own expense.

No non-employee may have access to personnel, medical, and immigration records without the written permission of the Director of Human Resources. Normally, a subpoena will be required in order for a non-employee to gain access to such information. Exceptions, such as providing information to state unemployment agencies, and state and federal investigators, may be made by the Director of Human Resources. With respect to medical records, even with a subpoena, the Director of Human Resources will first consult with legal counsel prior to compliance with a subpoena. If a decision is made to release medical information, the employee will be notified and given the opportunity to seek to quash that subpoena.

Employment Reference Checks

To help select the best person for the job, the FMC-USA checks the employment references of job candidates.

The Human Resources department and only the Human Resources department will respond in writing when we receive a written request for a reference check. We will confirm only employment dates, salary information, and the positions held. The FMC-USA will not release any employment data without an employee or former employee's written authorization and signed release.

Personnel files and other files will be transferred to the World Ministries Center archives according to the World Ministries Center retention schedule. The provisions of the Privacy Act (1974) and World Ministries Center retention policy will control their use.

Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of FMC-USA to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our Company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

The Company will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to FMC-USA. Contact the Human Resources department with any questions or requests for accommodation.

Life-Threatening Illnesses in the Workplace

Employees with life-threatening illnesses, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. The FMC-USA supports these endeavors as long as employees are able to meet acceptable performance standards.

Medical information on individual employees is treated confidentially. The FMC-USA will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

The FMC-USA will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to FMC-USA.

If you have a question or concern about life-threatening illnesses, we encourage you to contact the Human Resources Department for information and referral to appropriate services and resources.

FMC-USA's Anti-Harassment, Bullying, and Complaint Procedure

FMC-USA is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a Christian and professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment and bullying. Therefore, FMC-USA expects that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment. It is unchristian and unacceptable for any employee, whether a manager, supervisor, or co-worker, to sexually harass another employee.

It is the policy of FMC-USA to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, gender, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. FMC-USA prohibits any such discrimination or harassment.

FMC-USA encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of FMC-USA to promptly and thoroughly investigate such reports. FMC-USA prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or c) such 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 may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, gender, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on Company time or using Company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to FMC-USA (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Workplace Bullying

FMC-USA defines bullying as "repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment." Such behavior violates the Company Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the Company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when meting out discipline. As in sexual harassment, it is the effect of the behavior upon the

individual that is important. FMC-USA considers the following types of behavior examples of bullying:

- Verbal bullying: Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- Physical bullying: Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work area or property.
- Gesture bullying: Nonverbal threatening gestures or glances that convey threatening messages.
- Exclusion: Socially or physically excluding or disregarding a person in work-related activities.

Complaint Process

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, the Director of Human Resources or the Chief Operating Officer. It will be necessary for a victim of harassment to file a written detailed accurate report of the alleged harassing conduct.

FMC-USA encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Appropriate action will also be taken to correct the effects of the harassment and to deter any future harassment.

If a party to a complaint does not agree with its resolution, that party may appeal to the Director of Human Resources or the Chief Operating Officer.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

Employment Classifications

All employees are designated as either non-exempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate the employment-at-will relationship at any time is retained by both the employee and FMC-USA.

Employee Classification Categories

- **Salaried Non-exempt employees** are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime. They are paid a fixed monthly salary. These employees receive overtime pay, at the rate of 1.5 times their hourly rate, for time worked in excess of 40 hours in any Monday-Friday week. Such hourly rate is determined by dividing their annual salary by 2080. Upon the supervisor's approval a salaried non-exempt employee may receive time off (at 1.5 rate) rather than cash for hours worked over 40 in any week, as long as the time off is taken within the same pay period.
- **Salaried Exempt employees** are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor. These are employees who are paid a fixed salary, and are based on a monthly basis rather than an hourly wage and meet the criteria for exclusion from the wage and hour laws. An exempt employee does not receive overtime for hours worked over 40 hours per week. Due to the nature and scope of exempt positions, a certain amount of work beyond the normal workweek is expected as business demands require.
- **Hourly** – Employees are paid based on an hourly rate and are not exempt from minimum wage, overtime and timecard provisions of the Fair Labor Standard Act (Wage-Hour Law) as amended. These employees receive overtime pay for work in excess of 40 hours per week.

FMC-USA has established the following categories for both non-exempt and exempt employees:

- **Regular, full-time:** Employees who are not in a temporary status and who are regularly scheduled to work the Company's full-time schedule of 40 hours per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefits program.
- **Regular, part-time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the full-time (40 hours) schedule. Regular, part-time employees are eligible for some of the benefits offered by the Company subject to the terms, conditions and limitations of each benefits program.
- **Temporary, full-time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the Company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. No benefits are included.
- **Temporary, part-time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are

temporarily scheduled to work less than the Company's full-time (40 hours) schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. No benefits are included.

Probation Period

Each employee starts her or his employment with a ninety (90) day probation period. This gives both the employee and the FMC-USA, time to determine if the employee and the job are well suited for each other. A performance review will be conducted within the ninety (90) day period and the results shared. The review will help determine acceptability for continued employment. Successfully completing this ninety (90) day probation period does not guarantee continued permanent employment.

COMPENSATION AND BENEFITS

Salary Administration

The salary administration procedures at the Free Methodist Church – USA were created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because we believe that recruiting and retaining talented employees is critical to our success, we are committed to paying our employees equitable wages that reflect the requirements and responsibilities of their positions.

Paydays

All employees are paid once a month on the last business day of the month. Each paycheck includes earnings for all work performed through the payroll period. Hours will be estimated from the 22nd through the end of each month. Any necessary adjustments will be made in the following month's paycheck.

If a regularly scheduled payday falls on a day off, such as a weekend or holiday, you will be paid on the last work day before the regularly scheduled payday.

Each employee's pay is directly deposited to their designated bank account. You will have access to an electronic itemized statement of wages beginning with each payday.

Administrative Pay Corrections

The FMC-USA takes all reasonable steps to ensure that you receive the correct amount of pay in each paycheck and that you are paid on the scheduled payday.

In the unlikely event that there is an error in the amount of pay you receive, you should promptly advise the Human Resources Department so that the discrepancy can be corrected as quickly as possible.

Circumstances in Which the Employer May Make Pay Deductions from Pay

Deductions from pay are permissible for a salaried exempt employee:

- a) If the employee is absent from work for one or more full days for personal reasons other than sickness or disability and not counted as a vacation day.
- b) If the employee is absent from work for one or more full days due to sickness or disability; if absent for sickness or disability without the necessary accrued hours.
- c) to offset amounts employees receive as jury or witness fees, or for military pay;
- d) For unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions.
- e) An employer is not required to pay the full salary in the initial or terminal week of employment; or for penalties imposed in good faith for infractions of safety rules of major significance. In these circumstances, either partial day or full day deductions may be made.
- f) It is our policy to comply with the salary basis requirements of the FLSA. Therefore, we prohibit all Company managers from making any improper deductions from the salaries of exempt employees. We want employees to be aware of this policy and that the Company does not allow deductions that violate the FLSA.

What to Do If an Improper Deduction Occurs

If you believe that an improper deduction has been made to your salary, you should immediately report this information to the Human Resources Department.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made.

The FMC-USA is legally required to make certain deductions from every employee's compensation. Among these deductions are federal, state, and local taxes as appropriate. We are also legally required to deduct Social Security taxes on your earnings up to a maximum amount, which is called the Social Security "wage base." The FMC-USA contributes to your Social Security by matching the amount of Social Security taxes deducted from your compensation.

We may find it necessary to take "pay setoffs/garnishments" from your paycheck. Pay setoffs/garnishments are court ordered pay deductions – usually taken to help pay off a debt or obligation to us or to others.

If you have questions concerning why a deduction was made from your paycheck or how your paycheck is calculated, consult the Human Resources Department.

Work Schedules

The workweek begins Monday and ends on Sunday. Overtime is only due after 40 hours of actual work within the work week. Normal office hours are from 8:00 a.m. through 5:00 p.m. Monday through Friday. With the approval of the supervisor, an employee may be granted an alternative schedule. Work schedules and assignments are at the sole discretion of the employer.

Break Periods

Employees are encouraged to take a lunch break of up to an hour each day. The lunch hour is not included in the total work hours of each day.

Overtime

Most non-exempt personnel are employed for a 40-hour workweek. Overtime is occasionally necessary, but is discouraged in the interest of your family, community, and church activities as well as your own well-being on the job.

Work in excess of 40 hours per week will be only at the discretion of the supervisor and must be specifically authorized in writing, in advance, and approved on the timesheet. For all hours worked in excess of 40 hours in any regular workweek, including a regular paid holiday (but excluding personal leave days, sick time, and vacation days), the employee will be paid or given time off at time and one-half of the employee's regular rate.

When overtime is necessary the supervisor will ask the employee to put in extra hours as needed. If the employee cannot work extra, or if the work is of a general nature that certain others might do as well, a fair distribution will be made of the extra time to employees in the ministry area who qualify.

Salary Basis Policy

The Fair Labor Standards Act (FLSA) is a federal law which requires that most employees in the United States be paid at least the federal minimum wage for all hours worked and overtime pay at time and

one-half the regular rate of pay for all hours worked over 40 hours in a workweek.

Employee Benefits

FMC-USA provides a wide range of benefit programs to eligible employees. Certain legally required programs (such as Social Security and worker's compensation) cover all employees in the manner required by the law. **Any references made to our group benefit programs are governed solely by the benefit plan documents.**

Your eligibility for each benefit program depends on a variety of factors, including your employee classification. Programs may be offered for voluntary participation at the employee's expense. To better understand exactly which benefit programs you are eligible for, talk to your supervisor or the Human Resources office.

Medical Insurance

Group medical insurance coverage is available to full-time and part-time employees (working a minimum of 30 hours per week) on the first day of the month following the date of hire. Premiums are based on coverage class (i.e., employee, employee and spouse) and shared between employee and employer (i.e., employee, employee and spouse). For those working between 30 and 40 hours per week, employer benefits will be prorated based on hours worked as a percentage of the premium paid of full-time (40 hours per week) employees. Questions regarding insurance coverage or forms may be referred to the Human Resources office.

Term Life Insurance

To those employees who work a minimum of 30 hours per week, Group term life insurance coverage in the amount of \$50,000 is provided by the employer at no cost to the employee. Such life insurance is only provided during actual employment and does not continue when employment terminates. Information on group term life insurance is supplied by the Human Resources office.

Long Term Disability Insurance

To those employees who work a minimum of 30 hours per week, long term disability insurance in the amount of 60 percent of salary up to \$5,000 per month is provided by the employer at no cost to the employee. Long term disability insurance does not begin until 90 days after the initial disability.

Optional Supplemental Insurance

Various supplemental insurance is offered to all regular employees. This includes coverage for additional life, cancer, intensive care, short term disability, etc. that is 100 percent paid by the employee through payroll deduction.

Pension

The FMC-USA has a defined benefit pension plan that offers each participant a retirement benefit based on a pre-determined formula that is calculated with the number of years of service. The employer contributes 10.5 percent of annual salary on behalf of the employee. No personal contributions may go into this plan.

To qualify, an employee must work a minimum of twenty-five (25) hours per week. The primary purpose of the plan is to provide for retirement income needs. The plan also provides benefits to the employee or the employee's beneficiary in the event of disability or death. Vesting in the plan begins after completing five (5) years of credited service. According to the following schedule:

Less than 5 years	0% vested
5, but less than 6 years	50% vested
6, but less than 7 years	60% vested
7, but less than 8 years	70% vested
8, but less than 9 years	80% vested
9, but less than 10 years	90% vested
10 or more years	100% vested

Persons who complete five or more years of credited service by age 67 or older will be 100 percent vested.

The FMC-USA Defined Benefit Pension Plan was amended in 2014 to change the age for when full retirement benefits are applicable. For certain eligible employees hired prior to January 2015, the retirement age may be 65. For further details as to which age applies to you, check with the Human Resources department.

Pension may be reinstated if the employee returns within five years after leaving employment of the FMC-USA. (See Article VIII of Pension Plan document.)

Each employee receives a pension plan summary upon enrollment in the plan. Any references made to our group benefit programs are governed solely by the benefit plan documents. Please see the Human Resources department for further details.

403(b) Savings Plan

The FMC-USA offers a 403(b) pre-tax savings plan to provide employees with the potential for adding future financial security during their retirement. Participation in the program is optional.

Because your contribution to a 403(b) plan is automatically deducted from your pay before federal and state tax withholdings are calculated, you may save tax dollars now by having your current taxable amount reduced.

Complete details of the 403(b) savings plan are available from the Human Resources Department.

Holidays

A full-time employee receives eleven (11) days of paid holidays annually. Holiday pay is prorated for part-time employees who work at least 20 hours per week but less than 40 hours per week.

The holidays are: New Year’s Day, Martin Luther King, Jr. Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving and the Friday following, December 24, Christmas Day, and December 26.

When a paid holiday falls on Saturday, the holiday time will be taken on Friday. When it falls on Sunday, the time will be taken on Monday. Three working days off will be given if Christmas falls on a weekend. When a holiday occurs during a vacation period, the holiday time will be added to the vacation time.

Personal Days

Up to two (2) days personal leave may be taken annually. Non-exempt employees may take personal leave in one-hour increments and will be paid up to eight (8) hours per day. Exempt employees must take their personal leave in full-day increments. When it is necessary, an employee may arrange with his or her supervisor for additional time off without pay to attend to matters of personal business. When using personal days you must contact your supervisor as soon as possible each day of the absence to notify the supervisor of the reason for your absence.

Vacation

Paid vacations for full- and part-time employees are provided on the basis of the employee's base salary and number of years worked. Vacation accrues based on the chart below. Paid vacations for part-time employees (20 hours or more per week) are prorated based on the hours worked as a percentage of a 40-hour workweek. Employees working fewer than 20 hours per week do not accrue vacation time.

The vacation accrual begins on the first day of employment and can be used after it is earned.

Vacation accruals are as follows:

- 1 month through 4 years – 6.67 hours per month
- 5 years through 9 years – 10 hours per month
- 10 years and over – 13.33 hours per month

Executive directors and directors are eligible for four weeks of vacation following the first full calendar year of employment.

Unused vacation time may be carried over from one year to the next – a maximum of 25 days of vacation time may be carried over.

Vacations are to be requested in writing by submitting a completed Time Off Request Form and should be scheduled in consultation with the employee's supervisor. Eligible vacation time may be taken by non-exempt and hourly employees in increments of no less than four-hour segments. Exempt employees must use vacation in full-day increments.

Exceptions to the accrual policy may be made upon request for unique circumstances and will be considered on a case-by-case basis. Upon termination of employment any accrued and unused vacation time will be paid out in cash. Otherwise all vacation time must be taken as time off and will not be paid out in cash.

Previous work with a Free Methodist educational institution, annual conference, or missionary service is credited as years of employment for vacation accrual purposes.

Sick Leave

All full-time, regular employees accrue sick leave from the date of hire, for a total of 10 days per year, based on a rate of 6.67 hours per month. Part-time, regular employees working at least 20 hours but fewer than 40 hours per week, accrue sick leave from the date of hire, in a prorated amount using the average number of hours the part-time employee works per week divided by 40, times 10 days per year.

Up to 45 days of unused sick time may be rolled over from one calendar year to the next (based on the accrued balance remaining). No additional hours of sick leave will accrue until an employee's accumulated sick time falls below 45 days.

Sick leave may be used for an employee's personal illness, well-care, and medical and dental appointments. Sick leave may also be used for illness and well-care in an employee's immediate family or parents. Sick leave covers travel time to and from the doctor's office. Unused sick time is forfeited upon an employee's separation of employment. There is no cash payout on accrued sick leave.

When using sick leave, you must contact your supervisor as soon as possible on each day of the absence and notify the supervisor of the reason for your absence.

Snow Days

Employees will be given up to two (2) days with pay during one year in the event of a snow emergency (or other disaster) declared by the civil officials and announced by the Chief Operating Officer. In the event that such problems arise during working hours employees may be permitted to leave early as approved by the supervisor.

Funeral Leave

Up to five working days leave with pay may be given, in consultation with the supervisor, on the death of a spouse, son, daughter, parent, sister, brother, grandchild, grandparent, or member of the employee's household. These guidelines include in-law relationships. Extra days off without pay may be arranged as necessary with the approval of the supervisor. Employees may be excused to attend the funeral of a fellow employee on Company time. Employees may arrange to take time off for other funerals with the approval of the immediate supervisor. Personal time or leave without pay may be used. In addition, time off for these funerals may be made up, if the work load allows and approved by the supervisor.

Personal Leave of Absence

A full-time employee who has completed at least one year of service with the FMC-USA may request an unpaid personal leave of absence for a period of up to 30 days with approval by the employee's supervisor and the COO. A personal leave of absence must be requested in writing at least 30 days in advance, unless necessitated by an emergency, in which case oral notification should be followed by prompt written application for the leave.

Personal leave may be granted for any justifiable reason at FMC-USA's discretion, provided the leave does not seriously disrupt the Company's operations. All unused, accrued vacation and personal days must be used before a personal leave will be granted.

The FMC-USA cannot guarantee reinstatement to employees returning from personal leave, but will make every effort to reinstate employees to their former positions if business requirements permit. An employee who fails to report to work at the end of an approved leave of absence will be deemed to have voluntarily resigned. Vacation and other benefits will not continue to accrue during a leave of absence.

Military Leave of Absence

FMC-USA is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the Company's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or Company policy. If any employee believes that he or she has been subjected to discrimination in violation of Company policy, the employee should immediately contact the Director of Human Resources.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence.

Employees requesting leave for military duty should contact their supervisor and the Director of Human Resources to request leave as soon as they are aware of the need for leave. For request forms and detailed information on eligibility, employee rights while on leave, and job restoration upon completion of leave, contact Human Resources.

COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under our health plan when a "qualifying event" occurs that would normally result in the loss of eligibility. "Qualifying events" include resignation, termination of employment, or death of an employee; a reduction in an employee's hours; employee's leave of absence; employee's divorce or legal separation; and when a dependent child no longer meets the eligibility requirements as a dependent.

Subsequent to a COBRA "qualifying event," the employee or beneficiary pays the full cost of coverage at the FMC-USA's group rates plus an administration fee. Upon the "qualifying event" employees will be given written notice describing the rights granted under COBRA. Because the COBRA notice contains important information about such rights and obligations, please read it carefully.

HIPAA

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) limits exclusions for preexisting conditions; prohibits discrimination against employees and their dependents based on their health status; guarantees renewability and availability of health coverage to certain employees and individuals; and protects many workers who lose health coverage by providing better access to individual health insurance.

If an employee declines enrollment under the FMC-USA's health plan and states in writing there is coverage under another group health plan or health insurance coverage as the reason for declining to enroll, the employee may also have special enrollment rights. Special enrollment rights may apply in the event that the employee and/or dependents are no longer eligible for this other coverage.

The FMC-USA health plan offers an Annual Open Enrollment period giving employees the opportunity to enroll even if coverage has been previously declined/waived.

FLEXPRO (Section 125 Cafeteria Plan)

FLEXPRO is a flexible reimbursement program available to each employee (working a minimum of 30 hours per week). This three-part benefit is based on a provision in the Internal Revenue Code which allows employees to increase take-home pay by decreasing taxable income.

In Part I, "Premiums," employees' contributions for medical, dental and vision benefits are paid with pre-tax FLEXPRO dollars.

Part II, "Healthcare Account," allows the employee to use pre-tax FLEXPRO dollars to pay for unreimbursed health care expenses, including medical and dental deductibles and coinsurance amounts. Maximum benefit is \$2,550 (as of 2015).

Part III, "Dependent care," allows the employee to pay for dependent care expenses that are necessary to allow the employee to work. Eligible expenses include care provided outside the participant's home at a sitter's residence, charges by a licensed daycare facility, and schooling costs for children below kindergarten, and dependent care in the participant's home. Maximum benefit is \$5,000 (as of 2015).

Although FLEXPRO can provide significant savings to most employees by reducing taxable income, the program may not be appropriate for everyone. A detailed description of the plan is available from the Human Resources office.

Social Security

Fifty percent of Social Security and Medicare taxes are paid by the employer.

Worker's Compensation

Employees are covered by Worker's Compensation insurance that pays medical costs and partially compensates workers for time lost if injured on the job in an occupational related accident. This insurance is fully paid by the FMC-USA. All on-the-job accidents, injuries, and illnesses, regardless of how minor, are to be reported to a supervisor and Human Resources department immediately. A worker's compensation form needs to be completed for any accident that occurs.

Continuing Education

If time off is needed for an approved continuing education program, a flexible work schedule will be jointly agreed upon with the supervisor and the Human Resources Director.

Training Reimbursement Policy

Training for World Ministries Center staff is advantageous to the organization as well as the employee. Training that is germane to the employee's position at the FMC-USA that is provided by an outside source may be paid by the employee's department with prior approval from the supervisor. Employees who receive training that exceeds \$1,000 in any calendar year agree to a service payback to the FMC-USA of 25 percent of the cost per year over four years. Should the employee leave in less than four years, he or she would reimburse the pro-rata portion of the expense.

Jury Duty and Witness Duty

Jury Duty - The FMC-USA encourages you to fulfill your civic responsibilities by serving jury duty when required. An employee will be paid the difference between jury pay received by the employee and his/her regular pay for all regular straight-time hours missed because of jury duty up to one (1) week per year.

If you remain on jury duty beyond the period of paid jury duty leave, you may use any available benefit time off or request an unpaid jury duty leave of absence.

If you receive a jury duty summons, show it to your supervisor as soon as possible so that arrangements can be made to accommodate your possible absence from work. You are expected to report for work whenever the court schedule permits.

Subject to the terms, conditions, and limitations of the applicable plans, the FMC-USA will continue to provide health insurance benefits for the full period of unpaid jury duty leave.

Vacation, sick leave, and holiday benefits will continue to accrue during unpaid jury duty leave.

Witness Duty - We provide witness duty time off to employees who receive a subpoena to testify in court. If you are summoned or otherwise requested to testify as a witness by the FMC-USA, you will receive paid time off for the entire period of witness duty.

You will be granted unpaid time off if you are requested to appear in court as a witness by a party other than the FMC-USA. However, you may use any available paid benefits to be compensated for that absence.

In order to make arrangements for the time off, you must show the subpoena to your supervisor as soon as you receive it. When serving as a witness, you are expected report to work whenever you are not needed in court.

Voting

In accordance with Indiana election laws, employees may be absent from their work stations as long as necessary to vote (up to four hours) without pay. Employees may make up any hours missed for voting by working outside their normal work schedule with the same week.

DAY- TO- DAY

Conflicts of Interest and Confidentiality

Conflicts of Interest

As an employee of the FMC-USA there is an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. In this policy, the FMC-USA is establishing the framework within which we wish to operate. For more information or questions on conflict of interest, contact the Human Resources Director.

All business transactions with outside firms on behalf of the FMC-USA must be conducted within the framework established and controlled by the FMC-USA. Business dealings with outside firms should not result in unusual personal gains. Promotional plans that could be interpreted to involve unusual gain require specific Chief Operating Officer approval.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of business dealings with the FMC-USA. For the purposes of this policy, we define a relative as any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

There is no "presumption of guilt" created by the mere existence of a relationship with outside firms. If an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative that she or he disclose this fact to his or her supervisor as soon as possible.

Confidentiality

Our clients and vendors entrust the FMC-USA with important information relating to their businesses. In safeguarding the information received, the FMC-USA earns the respect and further trust of our clients and vendors. Employment assumes an obligation to maintain confidentiality, even after leaving the Company. If an employee is asked for confidential information by someone outside the Company, the request should be referred to a supervisor or a member of the Operating Committee. No one is permitted to remove or make copies of any Company records, reports or documents without prior management approval. Because of its seriousness, disclosure of confidential information may lead to termination of employment.

Non-Disclosure

It is vital to the interests and success of the FMC-USA that we protect our confidential business information. Confidential information includes, but is not limited to, the following examples:

- compensation data
- computer processes
- computer programs and codes
- customer lists
- customer preferences
- financial information

Because we consider security breaches very serious, the disclosure of proprietary or confidential

business information, may lead to disciplinary action, up to and including termination of employment and legal action, even if you do not actually benefit from the disclosed information.

Outside Employment

The FMC-USA employees may hold outside jobs as long as they can satisfactorily perform their job at the FMC-USA and there is no interference with scheduling.

All employees will be held to the same standards of performance and scheduling expectations, regardless of any outside job. If it is determined that outside work is impacting an employee's performance or the ability to meet requirements, the employee will be asked to terminate the outside job in order to stay employed at the FMC-USA.

Employment that constitutes a conflict of interest is prohibited. Further, an employee may not receive any income or material gain from individuals outside the FMC-USA for materials produced or services rendered while performing their job at the FMC-USA.

Employment of Relatives

The FMC-USA believes it is in the best interest of the World Ministries Center to fill each vacant position with the most highly qualified person available. In order to ensure that all interested persons receive consideration, anyone is welcome to submit an application.

When a family member of another employee is being considered for employment, the hiring supervisor must consult with the Chief Operating Officer, and the Human Resources Director, before the hiring is finalized. Relatives of World Ministries Center employees will not be eligible for employment where personal relationships may create conflicts of interest.

NOTE: A family member includes a spouse, son, daughter, parent, sister, brother, grandchild, grandparent and any in-law.

Solicitation

Any in-office collections, solicitations or sale of items are to be approved by the employee's supervisor.

Visitors

We warmly welcome all visitors. All visitors are to report to the receptionist and are required to sign in and wear a "Guest" badge.

Minors in the Work Place

It is expected that minor children of employees will not be present in the World Ministries Center except in extraordinary circumstances. When present, such minors are to remain in the company of the parent or guardian. An employee's supervisor must agree to the arrangement. This should not happen on a regular basis. These guidelines apply seven days a week, 24 hours a day.

Dress Guidelines

Employees contribute to the corporate culture and reputation of what we represent in the way they present themselves. As followers of Christ, they are expected to be neat, clean and modest in their appearance and to dress in agreement with commonly accepted business and professional standards. Normal day-to-day attire is business or business casual. Casual work clothes are acceptable for

warehouse and maintenance personnel. It is also the responsibility of each employee to wear appropriate shoes that are safe for their work area. There may be times when employees will be required to dress in professional business attire when specific groups are in the building. On those Fridays when we do not have groups visiting the WMC, employees may dress in casual clothes that are office appropriate. That could include nice denim jeans and tennis shoes, no flip flop beach shoes. If you have specific questions about whether something is acceptable to wear, your best bet is to not wear it. Concerns or appeals about dress guidelines are to be referred to the Human Resources Director who will consult with the immediate supervisor and refer concerns or individual exceptions to the Operating Committee.

Safety

Everyone must assume responsibility for a safe workplace. Keep aisles clear and your immediate place of work as hazard free as possible. Unsafe conditions should be reported to the Facilities Manager or Human Resources, or your supervisor immediately. Safety suggestions are welcome. Take time to be safe!

First Aid

In the event of a life threatening emergency, call 911. If an accident or illness should occur while at work, no matter how slight, the supervisor should be notified immediately so that appropriate medical treatment can be administered. First aid kits are located in the First Aid Room on the first floor, in the hallway to the Communications Department. Any work-related injury must be reported to the Human Resources Department, which will follow state Worker's Compensation guidelines.

Accident Reporting

The FMC-USA carries insurance to compensate workers for time lost if injured in any occupationally related work. On-the-job accidents, injuries, and illnesses, regardless of how minor, are to be reported to a supervisor immediately. The Human Resources office is also to be notified. An employee will be paid at the employee's regular straight-time hourly wage rate for time actually and necessarily lost from available work up to eight hours of any shift during which the employee suffers an occupational disability compensable under the Worker's Compensation and Occupational Diseases Law.

Fire Prevention

Please familiarize yourself with extinguisher locations and uses. Employees should locate the nearest exit(s) which could be used depending on the location of the fire. In case of fire, notify the switchboard operator (dial 0) or pull a fire alarm.

Company Equipment

Employees and their dependents may use office equipment and computers after office hours for personal use. This use shall be restricted to specified equipment designated by the supervisor and shall be supervised by the employee. The employee will pay for supplies at cost. When using FMC-USA property, you are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Use of Company Equipment and Vehicles

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, may result in disciplinary action, up to and including termination of employment.

Business Cellular Telephones

The FMC-USA provides cellular telephones to some employees as business tools. Those employees are responsible for the care and safe keeping of such equipment and may be required to pay for repairs should the employee damage such equipment.

Electronic Communication and Internet Use

The following guidelines have been established for using the Internet, Company-provided cell phones and e-mail in an appropriate, ethical and professional manner:

- Internet, Company-provided equipment, (e.g., cell phone, laptops, and computers) and services may not be used for transmitting, retrieving or storing any communications of a defamatory, discriminatory, harassing or pornographic nature.
- The following actions are forbidden: using disparaging, abusive, profane or offensive language; creating, viewing or displaying materials that might adversely or negatively reflect upon the FMC-USA or be contrary to FMC-USA's best interests; and engaging in any illegal activities, including piracy, cracking, extortion, blackmail, copyright infringement, and unauthorized access of any computers and Company-provided equipment such as cell phones and laptops.
- Employees may not copy, retrieve, modify or forward copyrighted materials, except with permission or as a single copy to reference only.
- Employees must not use the system in a way that disrupts its use by others.
- Employees should not open suspicious e-mails, pop-ups or downloads. Contact IT with any questions or concerns to reduce the release of viruses or to contain viruses immediately.
- Internal and external e-mails are considered business records and may be subject to discovery in the event of litigation. Be aware of this possibility when sending e-mail within and outside the Company. Employees should not send any e-mail messages they would not want to have seen by persons other than the intended recipients.

Right to Monitor

All Company-supplied technology and Company-related work records belong to the Company and not to the employee. FMC-USA routinely monitors use of Company-supplied technology. Any violation of this policy should be reported to a member of the Operating Committee and the Human Resources Director. Inappropriate or illegal use or communications may be subject to disciplinary action up to and including termination of employment.

Lost and Found

The FMC-USA is not able to accept responsibility for lost property. Please do not leave valuable items unattended. Please report lost (or found) items to a supervisor and/or the receptionist.

Personal Property

The FMC-USA cannot be responsible for losses of personal property that is lost, damaged or stolen.

Employees who bring personal property/items/belongings into the office or Company property are responsible to keep track of them.

Employees who do bring personal property must understand that it is not covered under the Company's insurance. Due to limitations on personal policies it may not be covered under employee's homeowner's coverage either.

The FMC-USA prohibits any items on the premises or worksite that are sexually suggestive, offensive, or demeaning to specific individuals or groups, along with firearms or other weapons. Employees should understand that all personal property brought onto the employer's premises may be inspected for purposes of enforcing the organization's policies and to protect against theft.

Personal Automobile Use

The FMC-USA is not responsible for damage to your personal automobile when you are using it for Company business or while it is on Company property. Subject to the current income tax regulations and budget guidelines employees will be reimbursed for approved business-related travel expenses from their ministry area. Mileage paid for use of personal auto for business travel is set at the rate currently allowed by the Internal Revenue Service for business purposes.

Personal Business

We recognize that from time-to-time, an employee may need to do non-work-related activities during normal business hours. While the FMC-USA permits such activities, it is expected that the employee will keep track of such non-FMC-USA related work, and not include that time in computing the hours worked for the FMC-USA.

Performance Reviews

The best communications about job performance happen on an informal, day-to-day basis. Employees and their immediate supervisor are strongly encouraged to talk about performance regularly. In addition, employees will be regularly reviewed. These discussions provide opportunity to discuss job responsibilities and goals, encourage and recognize strengths, identify and correct any weaknesses, develop plans for dealing with any obstacles, and plan for the future. All evaluations will be filed with the Human Resources office.

Worship

Employees are expected to be actively involved in a local church and are encouraged to attend the regularly scheduled devotional times for all staff (on Company time) in recognizing God's presence and help in our work. Employees are encouraged to prayerfully reflect each day on their ministry here.

Lifestyle and Conduct

Employees are expected to follow rules of common decency and morality in matters of attitude, behavior and language and to show respect for others. Our beliefs regarding conduct and behavior are outlined in Chapter 3 of the FMC-USA *Book of Discipline*. We expect that our team members will strive toward the goals of Christian character as outlined in that document.

The FMC-USA reserves the right to conduct drug testing in instances where drug use is suspected and/or in the event of an accident (vehicular or otherwise).

Attendance and Punctuality

We expect employees of FMC-USA to be reliable and punctual by reporting for work on time and as scheduled. When one is absent or late, it places a burden on other employees and can impact productivity and service. In the rare instances when an employee cannot avoid being late or are unable to work as scheduled, he or she must contact the supervisor as soon as possible and notify them as to the nature of the lateness/absence (i.e., sick or personal) so that it may be properly documented on the timesheet.

Because unplanned absences can be disruptive to work, a poor attendance record or excessive lateness may lead to disciplinary action, up to and including termination of employment.

Progressive Discipline

Every employee has the duty and the responsibility to be aware of, and abide, by existing rules and policies. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established.

FMC-USA supports the use of progressive discipline to address issues such as poor work performance or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. Our progressive discipline policy has been designed consistent with our organizational values, HR best practices and employment laws.

Outlined below are the steps of our progressive discipline policy and procedure. FMC-USA reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines FMC-USA's progressive discipline process:

- **Verbal warning:** A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.
- **Written warning:** Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning.
- **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may, but need not, be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 90 days and may be extended. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the

organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, dismissal may occur.

FMC-USA reserves the right to determine the appropriate level of discipline and/or warnings for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge. Employees are employed on an at-will basis, and the Company retains the right to terminate an employee at any time.

Prior to any employer-initiated termination for unsatisfactory work, the employee shall have the opportunity to discuss the areas of concern with his/her supervisor. Ordinarily, employees shall not be terminated without first having been given warning and adequate time to achieve satisfactory improvement.

This disciplinary policy does not apply during the 90-day probation period.

Grievance Procedure

The general policy of the FMC-USA is to settle complaints and disagreements peacefully following the law of love and the principles laid down by our Lord in such passages as Matthew 5:23-25. It is expected, therefore, that individuals in a conflict situation will first make every effort as Christian brothers and sisters to reach an amicable understanding.

It is recognized, however, that a policy can facilitate the process in certain kinds of grievances. Where the ordinary avenues of Christian conciliation as described above are not successful, the following procedures may be utilized if the individual who believes he is aggrieved desires to use it. The principles governing the whole process are those of Christian love and concern for equity and justice.

Nothing in this policy or grievance procedure shall imply or constitute a contractual right, and the Church under its *Book of Discipline* reserves the absolute right to amend this policy and procedure at any time.

An appropriate grievance is defined as an employee's dissatisfaction concerning an interpretation or application of a work-related policy by management or supervisors, or dissatisfaction concerning the behavior of other employees.

Employees will not be penalized for proper use of the grievance procedure. However, it is not considered proper if an employee abuses the procedure by raising grievances in bad faith or solely for the purposes of delay or harassment, or by repeatedly raising grievances that a reasonable person would judge to have no merit. Implementation of the grievance procedure by an employee does not limit the right of the FMC-USA to proceed with any disciplinary action which is not in retaliation for the proper use of the grievance procedure or to terminate the employee's employment at any time with or without cause.

The grievance procedure has a maximum of three steps, but grievances may be resolved at any step in the process. Grievances are to be fully processed until the employee is satisfied, or does not file a timely appeal, or pursue the right of appeal to final decision. A decision becomes binding on all parties whenever an employee does not file a timely appeal or when a decision is made in the final step and the right of appeal no longer exists.

Employees who feel they have an appropriate grievance shall proceed as follows:

- **Step One** - In Christian grace, work diligently to resolve any grievance with the offender, applying the teachings of Jesus in such passages as Matthew 5:23-25 and 18:15-17.
- **Step Two** - If there is no resolution from step one, promptly submit your grievance in writing to your immediate supervisor who will inform, in writing, the Human Resources office. The supervisor will investigate the grievance, attempt to resolve it, and provide a decision in writing to the employee(s) within a reasonable time. The supervisor should prepare a written and dated summary of the grievance and proposed resolution for file purposes. If the grievance involves the supervisor, then it is permissible to proceed directly to Step Three.
- **Step Three** - If there is no resolution from step one or two, promptly appeal to the Human Resources Director or the COO. The grievance will be reviewed, investigated, and a written decision will be provided to all parties involved within a reasonable time. This will include the employee if he or she is not already directly involved.

DISCLAIMER: If at any time an employee believes that he or she has been the victim of unlawful discriminatory harassment, the employee is referred to the anti-harassment policy set forth in this Handbook (entitled “Harassment and Sexual Harassment”) and may bypass the grievance process in its entirety.

Final decisions on grievances will not be precedent-setting or binding on future grievances unless they are officially stated as World Ministries Center policy.

Information concerning an employee’s grievance is to be held in strict confidence. Supervisors and other members of management who investigate a grievance are to discuss it only with those individuals who have a need to know or who are needed to supply necessary background information.

Resignation or Termination of Employees

The FMC-USA is thankful for the many long-tenured employees at the World Ministries Center. If a change of employment is necessary, the aim is to make such a change mutually helpful. Employees may be terminated with or without cause at any time. However, it is important to know the following guidelines:

- An exit interview will be conducted for all resignations and terminations of employment.
- Employees who fail to report to work or contact their supervisor for three (3) consecutive workdays shall be considered to have abandoned the job without notice, effective at the end of their normal shift on the third day.
- Employees resigning positions are requested to give a minimum of two weeks’ written notice of resignation. Supervisors are expected to give a minimum of 30 days’ written notice.
- Employees are expected to leave all FMC-USA property and information in good and clean condition.
- The final check is issued on the next regular payday. Provision for receiving the check is to be determined at the time of the exit interview.
- The employee is expected to turn in any credit cards, keys and other employer’s property at the time of the exit interview.

- In cases of gross misconduct, dishonesty and similar situations, the employer may immediately discharge an employee.
- No contributions are made by the World Ministries Center toward any state unemployment insurance benefits. Church organizations are exempt. This means that terminated employees will not receive any benefits through the Indiana Unemployment Insurance Commission, or any other state as it relates to their employment with the FMC-USA.

YOUR JOURNEY BEGINS NOW

Well, if you've made it to this page of the Employee Manual, you are to be congratulated for your persistence, determination and hopefully fast-reading skills. We trust that you've just read more legalese than you'll encounter during your entire career with the Free Methodist Church – USA, and, we're hoping that you'll have a long, successful, and joy-filled career with us!

THANK YOU for taking the time to read through this handbook. We suggest you keep it as a reference should you need information on a particular topic. Think of it as an encyclopedia...not something you'll ever again have to read in its entirety, but a useful resource if you're looking up something specific. But more than that, we THANK YOU for joining our team at the World Ministries Center!

We're here to serve the Lord Jesus, and to operate in team with others who have answered His call to service. When you get down to it, the bottom line to this Employee Handbook, and to our work together, is that we LOVE GOD, LOVE OTHERS, AND MAKE DISCIPLES. That's the mission of the Free Methodist Church – USA. And now it's your mission.

May the Lord bless you richly as we work together to accomplish it!

