



CATHOLIC DIOCESE OF SAGINAW

EMPLOYEE HANDBOOK

This is a general handbook of policies for all those employed by the Catholic Diocese of Saginaw, including its parishes, schools and other affiliated institutions. Accordingly, when the term "Diocese" is used within the handbook, it is understood to be applicable to any and all Diocesan parishes, schools and other affiliated institutions. The policies contained in this handbook supersede any other previous policies, and will not be negated by any other Diocesan policy issued before this date.

Approved by Most Reverend Joseph R. Cistone, Bishop of Saginaw

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I. INTRODUCTION

This Employee Handbook represents an effort to systematize the employee policies of the Catholic Diocese of Saginaw. If a topic has been overlooked or appears inconsistent or ambiguous, employees are encouraged to bring this to the attention of their immediate supervisor, who will submit the comment in writing to the Chancellor. The Employee Handbook is to be used in conjunction with the *Standards of Ministerial Behavior for Those Working with Children and Young People*, the Safe Environment Program and any other policies, manuals, protocols or forms promulgated by the Diocese.

All individuals who maintain an employment relationship with the Diocese in any respect are required to follow this Employee Handbook in its entirety. These employment relationships include but are not limited to:

- The Diocese of Saginaw employees
- The parish employees in the Diocese of Saginaw, including school employees and parishes and schools staffed by religious institutes
- All other schools and organizations operated by a parish under the ultimate direction of the Bishop of Saginaw
- All schools and other organizations operated by the Diocese of Saginaw under the ultimate direction of the Bishop of Saginaw

Additional employment policies may be required for specific categories of employees, including principals and teachers. Other legal entities related to the Diocese, including trusts, foundations or corporations, may have employment handbooks or policies apart from the Diocese of Saginaw Employee Handbook. The governing boards of any legal entity related to the Diocese may adopt this Handbook in whole or in part as they deem appropriate.

Beginning on the date specified by the Bishop of Saginaw and noted on this Handbook, the Handbook supersedes all other policies or handbooks previously promulgated by the Diocese of Saginaw. The Office of Human Resources, under the direction of the Chancellor, shall endeavor to inform employees of subsequent changes in this Employee Handbook and in all other protocols, manuals and forms as such changes might arise. On a periodic basis, updated Employee Handbook pages may amend the Employee Handbook. The amended changes will be distributed to each employer, who shall, in turn, transmit the change to each employee. A current copy of the Employee Handbook is available in the Office of Human Resources and the Diocesan website.

II. EMPLOYMENT REQUIREMENTS AND PROCEDURES

A. Employment Policies

The policies contained in this document, as well as other policies from time to time issued by the Bishop of the Diocese of Saginaw, govern the employment relationship between an employee and the Diocese of Saginaw or other employing unit affiliated with the Diocese (collectively referred to within these policies as the “Diocese”). However, this Employee Handbook is not to be construed as a contract of employment.

As an integral part of these policies, the Diocese retains the right to exercise all administrative and managerial functions related to the operation of the Diocese. No person, in any capacity whatsoever, is authorized to alter the policies contained in this handbook, except in writing in an individual case and with the written authorization of the Bishop of Saginaw.

B. Background Checks and Employment References

In order to make the best hiring decisions possible, the Diocese maintains a practice of performing background checks and conducting employment reference checks for most positions. In particular, those seeking employment in certified positions within any school system affiliated with the Diocese must have their background and employment history reviewed as a part of the hiring process. A more extensive background check policy is maintained in the Diocesan Office of Child and Youth Protection.

Should a change occur pertaining to the allegations of illegal activities or misconduct, information pertaining to background checks, references, or suitability for employment, the employee is obliged to inform the immediate supervisor in writing immediately with details sufficient to determine fitness of the employee’s continued employment. Providing false, misleading, or incomplete information regarding one’s eligibility or suitability for employment and/or failure to apprise the employer of changes in this information in a timely manner are grounds for immediate discharge.

C. Offer of Employment

All offers of employment should be made and/or confirmed in writing by the employing entity.

D. Employment Relationship

The selection of new employees will be accomplished through a joint effort between the immediate supervisor and the Office of Human Resources, Pastor, Pastoral Administrator or Principal as the case may be. The employment relationship is terminable at the will of either the Diocese or the employee. This means that, just as any employee may terminate his or her employment with the Diocese at any time, for any reason or no reason, so may the Diocese terminate an employee at any time, for any reason, or for no reason. This employment relationship may not be modified by oral statements of supervisors and can only be modified by a written instrument signed by the Bishop of Saginaw.

E. Equal Opportunity

The Diocese is fully committed to a policy of equal opportunity in all of its employment practices. The Diocese endorses all efforts to eliminate and prevent discrimination on the basis of age, sex, familial status, race, disability, national origin, color, marital status, height or weight, or any other legally protected classification.

Since a person's faith and Church affiliation may constitute a bona fide occupational qualification in his/her role on behalf of the Diocese, religion may not be a protected category for certain positions with the Diocese. Likewise, where an employee serves in a ministerial capacity, the ministerial exception to the EEO policy may exempt the application of an otherwise legally protected classification.

Persons requiring reasonable accommodation for a disability must notify, in writing, the Office of Human Resources, Pastor, Pastoral Administrator or Principal (as the case may be) within 182 days after the need for the accommodation becomes or should have become known. A form for this purpose is available from the Diocesan Office of Human Resources. There is no similar requirement for requests for reasonable accommodation under federal law.

F. Employment Eligibility Verification

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

G. Harassment and Working Environment

The purpose of this policy is to promote a Christian professional and supportive work environment for all diocesan, parish and school employees, volunteers and visitors. The goal is to provide an environment free from physical, psychological or verbal intimidation and harassment. The Diocese of Saginaw encourages employees and volunteers to maintain an attitude and behavior, which expresses respect for others. The Diocese intends to encourage a heightened sensitivity toward behaviors that others may find offensive and intimidating, including comments that may refer unsuitably to race, religion, color, sex, sexual orientation, national origin, age, marital or familial status, criminal records, and disability. All employees should refrain from public speech or action that violates the courteous treatment of all persons.

The Diocese of Saginaw prohibits any form of unlawful harassment by employees, volunteers or supervisors. Harassment can result from a single incident or from a pattern of behavior involving verbal, written or physical conduct or communication if:

1. submission to the unlawful harassing conduct or communication is explicitly or implicitly a term or condition of employment of the complainant;
2. submission to or rejection of such conduct or communication is used as the basis or factor of employment decisions affecting the complainant; or
3. the harassing conduct or communication has the purpose of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Harassment encompasses a broad range of behaviors which could include but are not limited to:

1. Physical or mental abuse;
2. Racial insults;
3. Derogatory ethnic slurs;
4. Unwelcome sexual advances or touching;
5. Sexual comments or sexual jokes; and/or
6. Requests for sexual favors used as a condition of employment or affecting any personnel decisions such as hiring, promotion, or compensation.

H. Complaints of Discrimination or Harassment

Complaints of harassment or of discrimination should be reported to the Office of Human Resources, Pastor, Pastoral Administrator, Principal, or Chancellor. A form for this purpose is available in the Diocesan Office of Human Resources. Once a report is received, it will be promptly and carefully investigated. An

investigation may include interviews with possible witnesses, in addition to interviews with the person making the claim and the person alleged to be responsible for the harassment.

The findings of the investigation will be reported only to those persons with a need to know.

Persons who engage in harassment are subject to disciplinary action up to and including discharge. Retaliation against persons who report harassment is prohibited.

I. Post Offer Physical Examination

Once an offer of employment is made, a physical examination (by a physician or clinic of the employer's choice) may be required of any particular job classification and employment conditioned on the results. The exam shall focus solely on the applicant's ability to perform the job, with or without reasonable accommodation, as delineated in the job description. The cost of any such examination will be borne by the Employer.

J. Social Security Number Privacy Policy

The goal of the Diocese is to ensure, to the extent possible, that employees' social security numbers are maintained confidentially. Therefore, social security numbers will not be released to anyone outside the Diocese or its agents, except as required by law. Social security numbers will be made available internally on a "need-to-know" basis.

More than four sequential digits of a social security number will not be included on any document mailed outside the Diocese, except as required by law, nor will it be publicly displayed in any manner. Social security numbers are not to be used as passwords or identifiers for any Diocesan computer system. The social security number will not be used in the ordinary course of business except as the Diocese may determine that it is necessary to verify an individual's identity or to administer employee benefits, such as health insurance. Any documents that include social security numbers that are discarded are to be shredded.

Any violation of this policy will result in discipline up to and including termination of employment. A more detailed description of the Diocese's Social Security Privacy Number Policy is available from the Diocesan Office of Human Resources and the Diocesan website.

K. Professional Conduct

Employees are expected to perform their duties and otherwise act in such a fashion as to represent the Diocese in a professional and courteous manner. Pastoral and professional conduct must be conducted in appropriate settings and at appropriate times, avoiding even the appearance of impropriety.

The Diocese of Saginaw is committed to fostering a climate characterized by professional and ethical behavior free of discrimination and conflict of interest. An employee shall not engage in an amorous relationship¹ with another person over whom the employee exercises authority, or educational or professional responsibility. Romantic or sexual relationships are prohibited whenever there are supervisory, administrative, teaching, evaluation, advising, coaching, or counseling responsibilities between the employee and the other person for at least two years after the termination of these responsibilities.

High standards of ethical behavior serve the Diocese and those whom the Diocese of Saginaw serves. Each employee is responsible to enhance and maintain the ethical standards in all decision-making and discussions. As a result, each employee is to be:

1. Accurate in communication, never misrepresenting facts nor shading the truth.
2. Honest in promising what is feasible and dependable in following through on understood commitments.
3. Forthcoming in sharing information with those who have a need to know yet ensuring that the communication does not pry into confidential or personal concerns.
4. Careful to avoid comments or criticisms that unreasonably damage the reputation of others.
5. Cautious to not use his/her position of authority which might in any way be considered unethical, immoral, abusive, or in furtherance of personal or financial interests.

Employees are to immediately report to supervisors suspected ethical or professional misconduct by themselves or others associated with the employer. When uncertainty exists about whether a situation or action violates ethical or professional conduct, or when reporting to a supervisor has not been satisfactory,

¹ For the purpose of this policy, "amorous relationship" is defined as consensual relationships of a romantic or sexual nature.

or when the supervisor is the subject of the report, employees are to contact the diocesan Office of Human Resources or Chancellor.

L. Confidentiality

Except as necessary to administer the conflicts of interest program, any person having access to a disclosure made pursuant to the operations and business matters of the Diocese shall maintain the confidentiality of this disclosure. During and after employment with the Diocese, confidential business information may not be shared with non-employees of the Diocese and may only be shared with Diocesan employees on the basis of a need to know. Failure to maintain professional confidentiality is considered a serious breach of professional ethics.

M. Conflicts of Interest

At all times the employees should act in the best interests of the Diocese, the parishes and the persons served in a manner consistent with their duties, which include, but are not limited to, the duty of care in the stewardship of the resources of the Diocese. Employees are to exercise particular care to conduct their affairs so as to avoid conflicts (or the appearance of conflicts) between their own interests (including the interests of their family members and other related parties) and the interests of the Diocese. The purpose of this policy is to provide a mechanism by which employees may disclose and address potential conflicts of interest.

Employees of the Diocese are to follow the intention of these provisions, disclosing clearly and in writing to their supervisor any potential conflicts of interest. The term “conflict of interest” pertains to any situation in which an employee or a related party benefits or stands to benefit at the expense or potential expense of the Diocese or affiliated organization or where the interests of an employee (or party related to the employee) and the Diocese are inconsistent with one another. A conflict of interest may also arise where there is a closeness of relationship between two persons which unduly influences one person in relation to their obligations to the Diocese.

The conflict may be any activity, financial interest or relationship with another person or organization that would (1) impair or appear to impair an employee’s independent judgment in the discharge of his/her duties, (2) conflict with the best interests of the Diocese, or (3) result in a personal profit or advantage to these individuals at the expense of the Diocese. The conflict may involve direct or indirect interests, and may arise if an action is taken which may compromise the employee’s capacity to act in the best interest of the Diocese.

Prohibited actions include:

1. Receiving gifts, gratuities, or excessive entertainment from any person or organization with which the Diocese has or is contemplating business dealings or to which the Diocese is providing grants or other support.
2. Receiving loans or guaranties in the circumstance stated above.
3. Involvement or the appearance of the involvement of the Diocese in any political campaign, including, but not limited to, the endorsement of any candidate for public office in any manner which implies the Diocese or the Bishop endorses the candidate.
4. Attempts to influence legislation in any manner on behalf of the Diocese without prior approval of the Bishop.

Procedures to address a conflict of interest consist of the following:

1. Employees must disclose all material facts concerning an actual or potential conflict of interest as soon as such potential or actual conflict of interest is discovered. Disclosure shall be directed to the applicable supervisor (or, if involving a supervisor, to the Chancellor) and should include an understandable description of all relevant facts.
2. After disclosure of the (potential or actual) conflict of interest and all relevant facts, the employee with the conflict shall not participate in any discussions relevant to determining if a conflict of interest exists and, if so, how it will be addressed, but may answer any pertinent questions to clarify the disclosure.
3. If it appears that a conflict of interest exists, a disinterested supervisor will investigate alternatives to the proposed transaction or arrangement, and report these findings to the Chancellor. After exercise of such due diligence, the Chancellor will determine whether a more advantageous transaction can occur. The person found to have a conflict of interest shall not discuss the merits of or approve this transaction.

N. Outside Employment and Appointments

Although the Diocese does not discourage outside employment and does encourage civic involvement, such activities could occasionally create a conflict of interest. With this in mind, an employee considering such activities should consult with his/her immediate supervisor prior to making any significant commitments.

O. **Relatives of Employees**

The employment of relatives of present employees is permissible, providing the relative will not be under the direct supervision of the employee. If a supervisor becomes a relative, the employee with the lower level of responsibility should be transferred to another suitable position or asked to resign.

III. **STATUS OF EMPLOYMENT AND EVALUATION**

A. **Employment Status**

All employees will hold one of the following designations of employment status according to the federal Fair Labor Standards Act of 1938 (“FLSA”) and/or the Michigan Minimum Wage Law (“MMWL”):

1. **Exempt Employees:** Supervisors, administrators and professionals are exempt under the FLSA and, therefore, do not receive overtime pay. To be exempt, a person’s work must be executive, professional or administrative in nature, requiring the regular exercise of discretion and independent judgment. Subject to certain exceptions, exempt employees paid on a salary basis are to regularly receive a pre-determined amount constituting all or part of the employee’s compensation for the work week, which is not subject to reduction due to variations in the quality or quantity of work performed. If an exempt employee believes that he or she has had improper pay deductions taken from his or her salary and is not able to resolve the difficulty in an effective and timely manner, the employee should immediately bring the matter to the attention of the Diocesan Office of Human Resources for proper resolution. The Diocese is committed to proper administration of all aspects of wage and hour law and, through this policy, makes its commitment to good faith compliance with the salary basis test for exempt employees.
2. **Non-exempt Employees:** Employees who are not exempt receive overtime compensation at a rate of time and one-half their regular rate of pay for all hours over 40 in a work week. Employees in this category are to be paid a rate equal to or greater than the current minimum wage rate. Overtime must be pre-approved by the supervisor.

B. **Types of Positions**

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

1. **Full-Time:** (Salary/Hourly) Except as is the established practice in certain parishes, an employee who is scheduled to work 40 hours per week on a continuous basis will be compensated on a salaried or hourly basis and will receive benefits as outlined in the employee handbook and/or the pertinent benefits memoranda.

2. **Part-Time 1:** (Salary/Hourly) Except as is the established practice in certain parishes, an employee who is scheduled to work 20 or more hours per week, but less than 40, on a continuous basis will be compensated on a salaried or hourly basis and may receive benefits as outlined in the employee handbook and/or the pertinent benefits memoranda.
3. **Part-Time 2:** (Salary/Hourly) An employee who is scheduled to work less than 20 hours per week on a continuous basis will be compensated on a salaried or hourly basis and will receive no benefits other than those that are required by federal or state statute. Statutory benefits include: Unemployment, Worker's Compensation, and Social Security.
4. **Temporary:** An employee who is hired into one of the above categories but for a limited and specified period of time not to exceed six (6) months. During this time the employee is eligible only for Unemployment, Worker's Compensation and Social Security benefits.
5. **Casual:** An employee who is hired into one of the above categories to work on an as-needed basis according to the needs of the hiring entity and will receive no benefits other than those that are required by federal or state statute. Statutory benefits include: Unemployment, Worker's Compensation and Social Security.

C. Performance Evaluations

Evaluations are done for the purpose of promoting the continual growth and development of the employee and may be used in determining promotions, raises, and training opportunities.

1. **Initial Period:** Written evaluations by the employee's immediate supervisor should be made at the end of ninety (90) calendar days of employment.
2. **Employees:** All employees should receive periodic evaluations, at least annually, by their immediate supervisor.
3. **Unfavorable Evaluations:** In the event that an employee receives an unfavorable evaluation, the employee may respond to that evaluation in writing and that response will be kept as part of the employee's personnel file. Employees receiving an unfavorable evaluation should be re-evaluated in ninety (90) days.

D. Personnel Records

A cumulative personnel record is maintained for each employee. Consistent with the Michigan Bullard-Plawecki Act, employees may review their personnel file during regular business hours, provided they make a reasonable and timely written request. The file will be subject to legal review prior to transfer to the employee. Should the employee wish to obtain copies of the file, the employee may be responsible for the incremental costs for copying such documents.

All employees must keep their supervisors, the Office of Human Resources, Pastor, Pastoral Administrator or Principal (as the case may be) promptly informed of any change in address and contact information.

IV. EMPLOYMENT RESPONSIBILITIES AND ATTENDANCE

A. Time Records

All Non-Exempt employees must fill out and sign the appropriate time sheets or time cards for submittal to the respective payroll office. All non-exempt employees who work beyond 40 hours per week will be compensated at a rate of time and one-half their regular rate of pay for their overtime. Employees may not authorize nor certify their own overtime as all overtime pay must receive prior written authorization of the immediate supervisor. Overtime may be required by an employee's supervisor.

B. Attendance

Employees are expected to be at work on time and to maintain good attendance records. Tardiness and unexcused absences will result in disciplinary action as circumstances warrant. For non-exempt employees, an unexcused absence will ordinarily result in a loss of pay for the time involved.

When absent from work on a scheduled work day, an employee must provide notice of the reason for their absence to his/her immediate supervisor. If the immediate supervisor cannot be reached, the notification should be given in a manner which would most readily be accessible to the supervisor, such as by giving notice to the receptionist of the Diocesan Offices, parish or school secretary as the case may be. Further, supervisors should be notified at the beginning of the work day to allow adjustments in staffing if necessary. If the absence is to continue beyond the first day, the employee must notify the supervisor on a daily basis unless otherwise arranged. An absence is unexcused if not approved by the immediate supervisor. Absence for three consecutive work days without notifying the supervisor is considered a voluntary resignation.

All absences must be charged to the appropriate leave or vacation time. Only after appropriate paid leave has been used may unpaid leave be granted.

C. Snow/Weather Days

As a service organization, the Diocese must maintain regular hours of operation to be responsive to the people of the Diocese. During periods of extremely inclement weather, however, the workplace may be declared closed and leave may be granted with pay. If the workplace is not declared closed, employees electing not to report to work are required to notify their immediate supervisor and may be required to use paid leave on these occasions.

D. E-mail and Other Electronic Communication

All electronic and telephonic communications systems and all communications transmitted by, received from, or stored in these systems are the property of the Diocese. Improper use of e-mail or similar communication systems (e.g., spreading harassing jokes or threatening remarks) will not be tolerated.

To ensure that the use of electronic and telephonic communication systems and business equipment is consistent with the Diocese's legitimate business interests, the Diocese may monitor the use of such equipment from time to time. This may include examining stored e-mail messages and listening to stored voice mail messages.

E. Smoking

Smoking is prohibited in the workplace and in work vehicles by Michigan law. Smoking may also be prohibited by local ordinance. For example, in Saginaw Counties, smoking is prohibited in all enclosed areas of work without exception. This includes all common work areas, auditoriums, classrooms, conference and meeting rooms, private offices, elevators, hallways, medical facilities, cafeterias, employee lounges, stairs, restrooms, employer owned or leased vehicles and all enclosed vehicles. Smoking is also prohibited in Midland County.

The Diocese complies with all laws and local ordinances prohibiting smoking in the workplace. Smoking, if allowed, is only allowed in lawfully designated areas at appropriate times, such as before and after work, and during breaks and meal periods.

F. Personal Appearance/Clothing

Personal appearance, hygiene and clothing are important to our work practices. Our visitors pay attention to the care we show in our personal attire and appearance.

Each employee is to report to work wearing clothing that is clean. Mustaches, beards, and reasonably long hair are acceptable if kept groomed. A neat, well-groomed appearance is important to the Diocese, our visitors, yourself and your co-workers.

G. Weapons Policy

While on the Diocese's premises and while conducting business-related activities off the Diocese's premises, no employee may use, possess, store, distribute, or sell any deadly weapon or destructive device. Any employee who is licensed to carry a concealed weapon under Michigan's Firearms Statute, Act 372 of 1927, MCLA 28.421, *et seq.*, may do so off premises and outside of working time consistent with the concealed weapons law. To the extent allowed by law, non-employees and all other visitors of the Diocese are also prohibited from bringing deadly weapons and destructive devices onto Diocesan premises, including parking lots, unless specifically authorized by the Bishop or his designee.

A "deadly weapon" as applied in this policy is (1) any weapon from which a shot readily capable of producing death or serious physical injury may be discharged; (2) any knife other than an ordinary pocket knife with a blade of less than 3"; (3) any club (billy or nightstick); blackjack or slapjack; or artificial knuckles made from metal, plastic or similar hard material; or (4) any item that in management's discretion could be used to cause deadly bodily harm or serious physical injury. A "destructive device" means any explosive, incendiary, or poison gas bomb, grenade, mine, rocket, missile or similar device and includes the unassembled components from which such a device can be made.

The Diocese reserves the right to search any person entering its property or while performing services for the Diocese offsite. This includes the right to search property, equipment and storage areas including but not limited to, clothing, personal effects, vehicles, buildings, rooms, facilities, offices, parking lots, desks, cabinets, lunch and equipment boxes or bags and equipment. Any items which an employee might not want to have inspected should not be brought to work.

Employees have a "duty to warn" their supervisors, security personnel, or human resources representatives of any suspicious or problematic workplace activity, situations or incidents that they observe or that they are aware of that involve other employees, former employees, customers, or visitors. This includes, but is not limited to: reporting the use, possession, storage, distribution, or selling of any deadly weapon or destructive device. Employee reports made pursuant to this policy will be held in confidence to the maximum extent possible. The Diocese will not condone any form of retaliation against any employee for making a report under this policy.

H. Drug and Alcohol Policy

The Diocese has a strong commitment to its employees to provide a safe working environment. Because of this commitment, the Diocese strictly prohibits the use, manufacture, sale or possession of illegal drugs, narcotics, or other controlled substances or to be under the influence of alcohol during working hours, while on Diocesan property or while acting as a representative of the Diocese.

If the Diocese suspects that an employee may be using illegal drugs, narcotics, or other controlled substances or to be under the influence of alcohol in violation of this policy, the Diocese shall take any action it deems necessary to determine whether a violation has occurred, including submission to a urinalysis or blood test. Employees who refuse to submit to the urinalysis or blood test or employees who are found to be in violation will be subject to immediate discharge.

The Diocese maintains a more fully developed drug and alcohol policy which is available to all employees to review from the Office of Human Resources and the Diocesan website.

V. DISCIPLINARY PROCEDURES

In order to properly manage the business affairs of the Diocese, the Diocese reserves the discretion to address unacceptable work behaviors and provide a just and formal corrective process for employees who are experiencing a job performance problem or demonstrating behavior which is disruptive to the operations of the Diocese. While the Diocese must retain discretion to bypass any or all of the steps in the progressive discipline process depending on the circumstances in any given situation consistent with its status as an at-will employer, the following process is intended to give employees both time and guidance in correcting work-related performance concerns.

A disciplinary form for supervisors to use in the progressive discipline process is available in the Diocesan Office of Human Resources and the Diocesan website. All discipline should be reduced to writing, preferably using this standardized form. A copy of all written discipline must be provided to the affected employee and also placed in the employee's personnel file. For serious disciplinary concerns, a copy of the written discipline should be forwarded to the Office of Human Resources.

A. Written Reprimand

The first step in the formal disciplinary process is a written reprimand. The supervisor and the employee meet to discuss the underlying concerns and to identify means by which the problems can be corrected. A time frame for improvement is to be established. The discussion should also include a description of the consequences to the employee if sufficient correction of the underlying problem is not achieved (e.g., suspension, termination).

B. Suspension

The second step in the progressive discipline process is suspension from work. An employee who fails to correct the performance or behavior issues previously brought to the employee's attention, or an employee who commits an egregious violation of Diocesan policy or standards of behavior, should be placed on unpaid suspension. The length of the suspension is to be determined by the supervisor and must be reasonable under the circumstances. Again, the supervisor should meet with the employee to explain the reasons for the suspension and to clearly identify the performance or behavior expectations of the employee upon returning to work.

C. Discharge

The third and final step in the progressive disciplinary process is discharge. Where a supervisor has, through the progressive discipline process, determined that the employee is either unwilling or unable to meet performance expectations or expected standards of behavior, the supervisor will be expected to discharge the employee from employment with the Diocese. In certain circumstances, a demotion or transfer to another position may be explored.

VI. CHANGES IN EMPLOYMENT STATUS

A. Promotions and Transfers

All employees are eligible for promotions after completing their initial period. Promotions will be based on meritorious work in one's present position, as well as possession of the general qualifications and competence for the position under consideration. Promotions may only be effective when recommended in writing by the immediate supervisor and subsequently approved. A copy of this recommendation is to be placed in the employee's personnel file.

From time to time, vacancies or new positions become available. To fill these positions with qualified individuals, the vacancies, in most circumstances, will be communicated internally and advertised publicly. Current employees interested in the vacant position are welcome to apply for consideration and transfer. Prior service time with the Diocese and excellent work record would be factors that would favor employees over outside applicants.

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

B. Demotion

Demotion shall be understood as removal from a particular position to a position of lesser responsibility and pay. A demotion could occur as a result of a decision by either the Diocese or the employee, or it could be a mutual decision. The Diocese reserves the discretion to demote an employee with or without cause and with or without notice.

C. Termination of Employment

When the employment relationship is terminated due to any of the following circumstances, an exit interview may be conducted.

1. **Resignations:** Resignations are those instances where an employee chooses to leave his/her employment of his/her own accord. In such cases, the employee is requested, as a matter of professional courtesy, to notify his/her supervisor of the intent to resign at least two (2) weeks prior to actual resignation. Failure to provide proper notice of resignation may result in forfeiture of any unused vacation pay.
2. **Retirement:** In situations where an employee is qualified for and is considering retirement, he/she should follow the same notification schedule as noted above in the discussion of resignations. In addition, he/she should contact the Michigan Catholic Conference to secure the necessary forms to apply for pension benefits.
3. **Layoff:** An employee may be removed from a position due to business considerations. This could be either a temporary or a permanent layoff. Among the factors that could be considered in determining the layoff process would be need for the position, job performance, qualifications and service time with the Diocese. An employee who has been laid off with the intent that the layoff is temporary could be re-hired when reorganization or expansion makes hiring feasible.
4. **Dismissal:** Dismissal refers to the termination of employment at the employer's discretion. The decision to dismiss an employee shall be made by the appropriate supervisor in consultation with the Office of Human Resources for the Diocese. Depending upon the circumstances, appropriate notice and/or an appropriate severance package may be provided to the employee.
5. **Cause for Dismissal:** Employment with the Diocese is at-will. However, as a practical matter, most dismissals are caused by the employee's performance problems or failure to meet behavioral expectations. The following is a list of examples of the kinds of behaviors which may result in immediate dismissal:

- a. Unwillingness or inability to abide by Diocesan policies and rules;
 - b. Demonstrated inability, loss of ability or unwillingness to perform adequately in his/her job classification;
 - c. Malpractice, malfeasance or unethical practice;
 - d. Flagrant misconduct (insubordination, harassment, violent or threatening behavior, intoxication, and the like);
 - e. Clear and present danger to the person or property of others;
 - f. Repeated failure to notify supervisor of absences;
 - g. Violation of any policy or procedure contained in this handbook or established by the Diocese from time to time.
6. **Termination of Benefits:** Upon termination, an employee is eligible for any salary earned but not yet received. Payment of unused vacation or paid leave is determined in accordance with each employer's benefits memorandum, except that unused vacation or paid leave is forfeited in all instances of termination for misconduct or malfeasance as determined by the Diocese.

VII. SETTLING DISPUTES AND GRIEVANCES

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

The Diocese is committed to two basic methods of settling disputes through due process. They are internal review and conciliation. It is hoped that nearly all disputes can be resolved through informal, internal review. It is our belief that persons of good will committed to the Gospel spirit of reconciliation can usually resolve disputes through honest communication between the parties involved.

If a problem is not resolved through internal review, the next step is conciliation. This process is more formal and time consuming. It also involves the input of a third party.

A. Allowable and Unallowable Disputes

Allowable disputes include claims by an employee that a person or administrative body exercising responsibility on behalf of the Diocese has violated an employment policy of the Diocese or has violated the employment laws of the state or federal governments.

Disputes over doctrinal matters, religious affairs, ecclesiastical matters and church laws unrelated to employment are not subject to this dispute resolution process.

B. Internal Review

Step 1. An employee with an allowable dispute is to first bring the matter to the attention of his/her supervisor within ten (10) working days of the underlying occurrence. The supervisor is required to address the issue as soon as reasonably possible and, if a response is not immediately given, shall inform the employee of when a response will be provided.

Step 2. If the employee is not satisfied with the supervisor's response or if the supervisor has not responded within the stated time frame, the employee may reduce the complaint to written form identifying the specific policy alleged to have been violated and provide the written complaint to the supervisor. The supervisor will respond in writing within five (5) work days.

Step 3. If the employee is not satisfied with the written response of the supervisor, the employee may forward a copy of the written complaint and the supervisor's written response to the Chancellor. The Chancellor will provide a final internal resolution to the complaint within a reasonable period of time.

C. Conciliation

If the employee is not satisfied with the resolution of his/her claim through the process described above, he/she may make written request for conciliation of the claim, describing with particularity the nature of the complaint and the term or condition of employment affected. Only those matters which have been processed through the internal review process and which substantially affect a term or condition of employment will be subject to the process of conciliation.

Upon review of the application for conciliation and finding the subject matter appropriate for conciliation, the Chancellor will appoint a conciliator who will schedule and meet with the parties to facilitate resolution of the problem as expeditiously as possible. Conciliation will continue so long as both parties are agreeable to the process.

D. Time Limit for Filing Claims/Waiver of Statute of Limitations/Waiver of Jury Trial

All employees agree that any claim or lawsuit relating to their employment with the Diocese, (except those that the law specifically excludes from shortening the statutes of limitations) must be filed no later than one hundred and eighty (180) calendar days from the date the alleged employment action arose, or less if the applicable statute of limitations period is shorter for the specific cause of action.

All employees also agree to waive any statute of limitations or other time period to file a claim or lawsuit to the contrary.

In addition, all employees agree that any claim or lawsuit must be filed in a court of competent jurisdiction in Saginaw County, Michigan or in the United States District Court for the Eastern District of Michigan, Northern Division and tried before a state or federal judge in a bench trial. All employees agree to waive their right to a jury trial in any court action arising between the parties, whether made by claim, counterclaim, third-party claim, or otherwise.

Further, all employees are required to sign a separate Knowing and Voluntary Litigation and Waiver of Jury Trial Agreement as a term and condition of initial employment and/or continued employment.