

**North American Division
Locally Funded Employees Phase II Summary of Recommendations
Effective July 1, 2011 and July 1, 2012**

Part I – RETIREMENT BENEFITS

Effective July 1 2011 recommendation that each Conference (inclusive of all participating employers in the Adventist Retirement Plan) has the option/discretion to either:

- (1) Offer retirement benefits with the 5% basic employer contribution and the employer match (up to 3%) to all employees (conference funded and conference locally funded employees) who work half time or more, or
- (2) Offer retirement with no 5% basic employer contribution but with the employer match (up to 3%) to all part-time employees (conference funded and conference locally funded employees) who elect to make a personal contribution to their retirement account. Full-time conference funded and full-time conference locally funded employees will receive retirement benefits with the basic employer contribution and the employee match up to the allowable amount.

Conferences must vote in their controlling Board which one of the two options above they will implement. The NAD Retirement Plan Office must be notified in writing of which option and the effective date the organization has elected to implement. Required Resolution language will be provided to all employers.

*The retirement recommendation is not applicable to the Regional Retirement Plan nor the Canadian Retirement Plan.

Part II – REMUNERATION

Effective July 1, 2012 the following recommendations are to assist in bringing church and school positions (secretaries, janitors, musicians, etc.) into compliance with federal, state, provincial, and local statutes as employees of the local Conference. Regardless of which retirement option is selected in Part I, each employer will bring all courtesy/local hire/locally funded employees onto regular conference payroll status.

EMPLOYEE POSITIONS AT CONFERENCE AND LOCAL LEVEL

POSITION	PAY	HEALTH CARE	*RETIREMENT
Clerical Secretary	Local Community Wage	If full-time	Depends on Option Selected from Part I
Admin. Assistant	Local Community Wage	If full-time	Depends on Option Selected from Part I

POSITION	PAY	HEALTH CARE	*RETIREMENT
Maintenance Worker	Local Community Wage	If full-time	Depends on Option Selected from Part I
Custodial/Groundskeeper	Local Community Wage	If full-time	Depends on Option Selected from Part I
IT Technician	Local Community Wage	If full-time	Depends on Option Selected from Part I
Receptionist	Local Community Wage	If full-time	Depends on Option Selected from Part I
Accounting Clerk	Local Community Wage	If full-time	Depends on Option Selected from Part I
Drivers	Local Community Wage	If full-time	Depends on Option Selected from Part I
Camp Staff (Food Service, Rangers, Housekeeping etc.)	Denominational Camp Scale Guidelines	If full-time	Depends on Option Selected from Part I
Bible Worker	Denominational Wage Scale. *If less than Full-time and pay is less than \$455/week, must pay on an hourly basis. (*Refer to the part-time pastor guidelines.)	If full-time	Depends on Option Selected from Part I
EMPLOYEE POSITIONS AT LOCAL LEVEL ONLY			
POSITION	PAY	HEALTH	*RETIREMENT
Musician	Local Community Wage	If full-time	Depends on Option Selected from Part I
Minister of Music	Local Community Wage	If full-time	Depends on Option Selected from Part I
Church Treasurer	Fixed Amount-Low end must be at or above minimum wage based on hours worked	If full-time	Depends on Option Selected from Part I

Recommendation for Administrative Assistant/Clerical Secretary – Break administrative assistant positions into levels (Level I, Level II, Level III, etc.) with job descriptions for each level. Recommendation to follow community wages for all Administrative Assistant/Secretary positions. Those currently on denominational wage scale shall be frozen at current level until community rates catch up. New employees start at community rates. The advantage is that it allows an employer to pay similarly functioning employees different amounts based on locale. Can also pay different amounts based on differing duties. Retirement benefits as elected by the employer in Part I will be applied consistently to all employees.

Resources – For determining community rates, one website to refer to is www.salary.com. Your local state employment office may have published community rates available on their website.

For the North American Division (NAD) Conference Locally Funded Employee Administrative Tool Kit and Sample Job Descriptions visit the NAD Secretariat website at www.nadsecretariat.org

Part III – EARLY CHILDHOOD EDUCATION AND CARE CENTERS

Effective July 1, 2012 recommendations as follows for Early Childhood Education and Care Centers (ECEC):

- (1) The separation of Early Childhood Education and Care from K-12 (an Education system of kindergarten to 12th grade) employees, thereby creating two classifications of education employees.
- (2) That although Early Childhood Education and Care Center industry standards do not include benefits for its employees, Conferences must elect one of the following benefit options to apply to all ECECs in the conference territory:
 - A. Health care and retirement benefits for eligible exempt (salaried) full-time and non-exempt (hourly) full-time ECEC employees. No health care for part-time ECEC employees, and retirement benefits will be offered to eligible part-time ECEC employees in accordance with employing organizational policy (Option 1 or 2 as elected by the employer in Part I).
 - B. All full-time and part-time ECEC employees receive no benefits.

Part IV – IMPLEMENTATION COMMENCEMENT/RETIREMENT RESOLUTION/CONVERSION DEADLINE

On or before July 1, 2012 each Conference or Employing Organization will have taken an action on its executive committee or governing board to commence the implementation of the locally funded employee conversion policy and the adoption of the Retirement Resolution relating to the retirement recommendation. In addition, each employer will complete the locally funded employee conversion not later than December 31, 2013.

Part V – SUMMARY OF 2010 GUIDELINES TO POLICY

Recommendation to adopt a new policy to replace current guidelines, North American Division Conference Locally Funded Employee Conversion Summary for Local Conferences, to read as follows:

NORTH AMERICAN DIVISION CONFERENCE LOCALLY FUNDED
EMPLOYEE CONVERSION SUMMARY FOR LOCAL CONFERENCES
(511-11N)

E 05 31 Local Conference Locally Funded Employees—As the legal entity for employment, the local conference is the employer for all employees in each classification, whether assigned to the Conference office or any other Conference facility, such as a church or school. Employees that are locally funded (i.e., their remuneration and benefits are funded by the local church or school) are employed by the local conference.

Locally Funded Employee positions, full-time and part-time, shall include but not be limited to the following positions: Accounting Clerk, Administrative Assistant, Bible Worker, Camp Staff, Church Treasurer, Clerical Secretary, Custodial/Groundskeeper, Early Childhood Education and Care Director, Early Childhood Education and Care Teacher, Information Technology Technician, Minister of Music, Musician, Pastor, Receptionist, Teacher, Teacher Aide, Food Service Employees, School Bus Drivers, Etc.

All employees are governed by their applicable state, provincial, and federal laws with the employer being the local conference, with full-time and part-time Locally Funded Employees being eligible for benefits in accordance with the benefit policy as elected by each employer for all employees in that territory.