

2024 Updates, Resources, Useful Links, and Reminders for Congregations & Clergy from the Diocesan Personnel Commission

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Personnel Handbook Template for Congregations

The current version of the [Personnel Handbook Template for Congregations](#) is posted on the website. An updated version will be available in January 2024. If you have questions or would like assistance with developing or reviewing a personnel handbook for your congregation, contact Cn Dede Moore, dmoore@ecww.org.

Diocesan Information

The Cost of Living Adjustment (COLA) to the 2024 parochial clergy salary scale is 4.6%.

- [2024 Clergy salary scales](#). All congregations should review the mandatory and advisory policies in the document to determine appropriate increases for both lay and clergy employees.
- [2024 Congregation grades](#)
- [2024 Supply Clergy rates](#)
- Updates, Resources, Useful Links & Reminders: <https://resources.ecww.org/personnel>

Benefits: What to do when you hire a new lay employee

To make the process as easy as possible for your new employee, and to ensure you are providing all the appropriate benefits, here are some things to consider and put in place, before you have a new hire.

1. Identify a point person in your congregation who understands what your congregation offers related to employee benefits (this is usually the clergy person, treasurer, or member of the vestry/bishop's committee).
2. This person should understand the benefits (both required and optional), and review these with the new lay employee.
3. Refer the new employee to the links below so they can review their options, particularly related to medical and dental coverage.
4. Depending on eligibility, additional benefits may include pension contributions, paid premiums for Paid Family Leave, and/or short-term disability. The person talking with the new employee should understand what the congregation offers, what payroll deductions new employees will see, etc.
5. Benefits resources:
 - a. [Medical & Dental coverage information](#)
 - b. [Diocesan Health Care policy](#)
 - c. [CPG Benefits at a glance – lay employees](#)
 - d. [CPG Lay Employee Defined Contribution Retirement Plan](#)
 - e. [General Convention lay pension requirements resolution](#)
 - f. [CPG new hire checklist](#)
6. If, after you have reviewed this information, you still have questions, contact Lori Hardow, Insurance Coordinator at the Office of the Bishop, lhardow@ecww.org.

Employee Assistance Program

The Cigna Employee Assistance Program (EAP) is for the members of the Episcopal Church Medical Trust and their household members. EAP coverage is also available as a stand-alone benefit for employees not participating in the ECMT medical plans. From the [EAP webpage](#): We all experience life changes and challenges from time to time.

When employees need some extra support, it's reassuring to know the EAP is always just a click away. These services are all confidential and available at no additional cost. Congregations are encouraged to make this information available to eligible employees.

Mileage Reimbursement Rates

The Internal Revenue Service has announced the new standard mileage rate for 2024. The current **standard mileage rate is 67 cents per mile** for the use of a car, van, pickup, or panel truck for business use. The volunteer rate remains at 14 cents per mile driven in service of charitable organizations.

Clergy Letter of Agreement language

All clergy are asked to review and update your LOAs each year, regardless of how long you have served in your call—this will ensure that each clergyperson is covered by the most updated policies and practices. The practices outlined below are included in the most updated LOA template and these practices are also appropriate for consideration of lay employees.

- Times of Work and Leave: The clergyperson is encouraged to maintain a five-day work week, with an exception for pastoral emergencies. The clergyperson is expected to preserve at least one continuous twenty-four-hour period each week solely as sabbath time.
- Wellness: The Episcopal Diocese of Olympia places a high value on the wellness of its clergy. Such wellness promotes the cleric's wellbeing, as well as that of their household and the congregation under their care. To this end, it is considered normative for the clergyperson to prioritize self-care which addresses their physical, mental, and spiritual health. The clergyperson shall familiarize themselves with the full range of benefits available through their health, dental and vision plans as well as the Employee Assistance Program, so as to be able to readily access those resources when needed. A high priority is placed on preventative care which includes exercise, healthy diet, adequate times of rest and leave, regular preventative health visits (e.g., annual physical, dental cleanings, etc.) and regular practices of mental and spiritual health (i.e., counseling, psychotherapy, spiritual direction, etc.).
- Expenses – Cell phone: A cell phone reimbursement if the clergy person is expected to be reachable on the cell phone, at ___% of the cost of the plan for a single line (minimum of 50%), excluding cost of the phone.
- Moving Expenses: All moving, and travel expenses incurred in making the move from Old Address to New Address shall be paid by the congregation. Some assistance from the Office of the Bishop may be available. Moving expenses shall include family travel, local housing search, transporting household goods (including temporary storage), reasonable temporary accommodations during the move, and incidental expenses.
 - a. The Congregation may require one or more quotes for moving expenses.
 - b. At this time, moving expenses are not tax-deductible expenses for clergy.
 - c. From CPG 2023 clergy tax return prep guide: Q21. What should I understand about taxation of moving expenses? A21. Under the Tax Cut and Jobs Act, for 2018 through 2025, qualified moving expenses can no longer be reimbursed tax-free or deducted on personal tax returns. Any direct payment of moving expenses or reimbursement to the clergyperson must be treated as taxable compensation and included as salary on Form W-2. In addition, these amounts are assessable under The Church Pension Fund Clergy Pension Plan. Costs associated with moving home furnishings can be included as part of actual expenses incurred when calculating housing allowance exclusion.

Minimum Wage and Overtime Rules

Starting January 1, 2024, the Washington minimum wage for non-exempt employees will increase to \$16.28 an hour (up from \$15.74). The City of Seattle has a higher minimum wage that is based on a tiered structure. In 2024, for small employers (500 or fewer employees) that do not pay at least \$2.72/hour in medical benefits the

minimum wage is \$19.97 an hour. For small employers that do pay at least \$2.72/hour in medical benefits the minimum wage is \$17.25 an hour.

Washington's exempt salary threshold for exempt employees in 2024 will increase to \$1,302.40 per week or \$67,724.80 annually (up from \$57,293.60 in 2023).

- As a result, employees whose compensation does not meet the new, higher salary threshold must be reclassified as overtime eligible (non-exempt). This is particularly true of part-time positions, since the threshold applies regardless of whether a position is part-time or full-time, i.e., real dollars vs. full time equivalent. For example, a professional staff employee with a full-time equivalent salary of \$95,000 who works half-time, would have an annual salary of \$47,500 and would be classified as non-exempt under Washington law.
- Employers that cannot increase an exempt employee's pay to stay above the minimum salary threshold must reclassify the employee as non-exempt. There are many important factors to consider when preparing for such a transition, including payroll and benefits implications and employee morale. The changes affect the exemptions for executive, administrative, and professional employees.
- The state salary threshold for exempt Washington employees will continue to increase through 2028, when it will be tied to future state cost-of-living increases.
- In addition to meeting the salary threshold, to be exempt from overtime and other protections, employees must also meet the job duties test. *This is a good time to review staff positions to ensure they are appropriately classified as either exempt (from overtime) or non-exempt (overtime eligible).*
- The changes apply to both lay and clergy employees.
- Washington State law related to overtime is more favorable for employees than federal – follow state law.
- Overtime for non-exempt employees may be required to be approved in advance by the supervisor, however, overtime hours worked with or without permission must be paid.
- Non-exempt employees (lay or clergy) are required to track hours and submit timesheets.
- It is advised that ALL employees (exempt or non-exempt) submit timesheets. Exempt employees are required to record only used paid time off (vacation, sick leave, etc.).

About the FLSA (Fair Labor Standards Act) and WMWA (Washington Minimum Wage Act)

The Fair Labor Standards Act (FLSA) and Washington Minimum Wage Act (WMWA) establish minimum standards that may be exceeded but cannot be waived or reduced. The FLSA is federal law; the WMWA is state law. When state laws differ from the federal FLSA, an employer must comply with the standard most generous to employees. Since the new, higher state salary threshold for overtime exemption under WMWA is more generous than the FLSA salary threshold, the WMWA threshold will be applied.

LOA/Hire Letter language: salaried clergy or lay positions – if annualized salary is under the salary threshold of \$67,724.80 consider adding under Compensation: Annualized salary \$_____; *part-time, overtime eligible (non-exempt). As a part time salaried employee, the employee is paid a salary for all hours worked in a week. Although an employee is a salaried employee, employee will need to track hours. A minor variance in hours from week to week is not compensable for extra hours, nor will any amount be deducted for working less than the hours expected. If, with permission of the supervisor, an employee works over 40 hours in a week employee will be compensated for the hours worked over 40 hours with an additional 50% of weekly salary for the percentage of time worked.*

For more information:

- [Washington State minimum wage](#)
- [Fair Labor Standards Act](#)
- [Exempt Test](#)

Washington State Paid Family & Medical Leave (PFML) - Update

For the first time since the program's inception, the PFML premium rate is decreasing in 2024 from 0.8% to 0.74%. In addition to the rate decrease, the employer/employee split of the premium is changing slightly. Employers will be responsible for 28.57% of the total premium (27.24% in 2023), and the employee's share will be 71.43% (72.76% in 2023). Employers should prepare to start deducting the new rate from employee pay on January 1 and get ready to remit the premiums to the Employment Security Department in April 2024. Next year's required posters and paycheck inserts are available on the [PFML website](#).

This is a mandatory state program. Congregations have a responsibility to remit the employee portion of the premium; employers with less than 50 employees (most if not all our congregations) are exempt from paying the employer portion of the premium. The Estimate calculator linked below can assist you in determining/confirming the employee/employer split. ***A congregation, by vestry/bishop's committee action, chooses to either pay the employee premium or deduct the employee portion of the premium from employee's paycheck.*** For more information see links below.

Another change in 2024 is that employers will be included as an "Interested Party" for PFML claims. Effective January 1, 2024, Senate Bill 5586 will enable an employer to access PFML claim information about current employees, including the type of leave being taken, the requested duration of leave, the approved dates, and whether the employee was approved for benefits and paid for any given week. Next Steps for Employers: The Employment Security Department has stated that the information will be available as a new tab in each employer's portal account, accessible through Secure Access Washington (SAW), where employers currently file PFML quarterly reports and pay premiums.

[PFML Website](#)

PFML [How Paid Leave Works](#)

PFML [Estimate Calculator](#)

Washington Cares Fund (Washington State Long Term Care Benefits)

This is a mandatory state program. The WA Cares Fund provides working Washingtonians a way to earn access to long-term care benefits that will be available when they need them. It will cover most of the needs for some people, while for others it will provide breathing room during one of life's most challenging stages, giving the family time to develop a plan. As a Washington employer, you are required to report your employees' wages and hours and pay premiums every quarter. Beginning July 1, 2023, congregations need to collect premiums from Washington employees the same that they have been collected for Paid Leave. Starting Quarter 3 2023 (reporting period begins Oct. 1, 2023) employers will report for both programs at the same time, on the same report. Employers do not pay any share of these contributions for employees; congregations may, however, elect to pay some or all your employees' share on their behalf.

[WA Cares Fund](#)

WA Cares Fund [estimate calculator](#)

Required Workplace Labor Law Posters

Employers are legally required to display state and federal posters in the workplace to inform employees of their rights and responsibilities. Most posters are available as free downloads.

- [Washington State Labor & Industries](#)
- [U.S. Department of Labor](#)

Templates – Lay Employee Hiring / Timesheets

- Hire Letter: A template for an Offer/Confirmation of Employment letter for lay employees has been developed. A Word version is available by contacting Cn Dede Moore. Templates are intended to be

updated to reflect the policies and personnel handbook of the hiring congregation or organization, as well as the latest federal, state, and local laws.

- Timesheets: If you have access to Office 365 there are several templates for timesheets for employees. If you do not have Office 365 and would like a template for monthly, bi-weekly, or weekly timesheets, contact Cn Dede Moore.

As employment law is continually changing at the local, state, and federal level, questions should be addressed by either the congregation chancellor (lawyer), or, if a mission, through the Office of the Bishop. Information is not intended as financial, legal, or tax advice.