

The Episcopal Fund

Policies and Procedures Manual

Adopted February 21, 2025

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Episcopal Fund Travel

Policy

The Episcopal Fund shall pay for the following expenses:

- The travel expenses of all members of the Council of Bishops (“COB”) to attend meetings of the Council of Bishops, the College of Bishops, authorized committee meetings, special assignments as a representative of the Council of Bishops as assigned by the Council of Bishops and when provisions of The Book of Discipline mandate involvement of the bishop.
- Travel expenses of the COB President and/or the COB President Designate or other COB Officers, at the request of the President, related to the office of the presidency will be paid and accounted for separately.
- Travel expenses to annual, semiannual, or executive committee board meetings of United Methodist general agencies to which the bishop are assigned by the Council of Bishops or the General Conference.
 - Expenses of travel to committee, task force, or programmatic function meetings of a general agency or for other agency-related purposes shall not be paid from the Episcopal Fund (these expenses shall be charged to that agency).
- Travel expenses for boards of trustees or boards of directors’ meetings of United Methodist-related colleges, seminaries, or institutions, if a bishop is elected or appointed to such bodies by action of the General Conference, jurisdictional conference, Council of Bishops, or College of Bishops for institutions within the jurisdictional or central conference boundaries.
 - Expenses of travel to meetings of boards of trustees or boards of directors of United Methodist-related colleges, seminaries, or institutions, if membership is by virtue of election by the board of trustees or directors of the college, seminary, or institution shall not be paid from the Episcopal Fund (these expenses may be paid by the college, seminary, or institution).
 - Expenses of travel to events or meetings of United Methodist-related colleges, seminaries, or institutions, other than boards of trustees or boards of directors’ meetings shall not be paid from the Episcopal Fund (these expenses may be paid by the college, seminary, or institution).
- Bishops travel expenses to attend the national gathering for their individual ethnic caucuses once every two years (ie: National Black Methodist Church Renewal Conference, MARCHA, Korean National Caucus, Asian American Federation and other pertinent ethnic caucuses).

- Women Bishops travel expenses to attend the Global Clergywomen's event once every quadrennium.
- Travel expenses for up to 2 board meetings per year of bishops who are assigned by the Council of Bishops to the boards of United Methodist Women, BMCR and Global Clergywomen.
- Travel expenses of bishops who are assigned to groups formed by General Conference of a churchwide nature, such as the Hispanic Plan.
- Travel expenses for bishops with Pan-Methodist missions within their assigned episcopal area to attend Consultations of Pan-Methodist Bishops meetings.
- Travel incurred by bishops in the discharge of responsibilities relating to the General Conference.
- Travel incurred by COB staff in the discharge of responsibilities relating to the Council of Bishops as defined in the COB Staff Travel policies which are consistent with these policies for the Episcopal Fund.
- For bishops elected by jurisdictional conferences, travel expenses to jurisdictional meetings of committees, commissions, or task forces to which the bishop is assigned by the College of Bishops within the boundaries of the jurisdictional conference.
- For bishops elected by central conferences, travel expenses to central conference meetings of committees, commissions, or task forces to which the bishop is assigned by the central conference within the boundaries of the central conference.
- In the case of the death of a bishop, a bishop's spouse, or a surviving spouse of a bishop, the following persons shall be eligible to attend the memorial service at the expense of the Episcopal Fund:
 - A bishop who is officially designated by a College of Bishops to represent it. The COB Office needs to be notified of the approved representative.
 - All members of the College of Bishops, active or retired, to which the bishop belonged, and in central conferences, episcopal members of the central conference to which the bishop belonged.
 - The president of the Council of Bishops, or a representative designated by the president.
 - Bishops who are participants in the memorial service.
- The travel expenses of a deceased bishop's surviving spouse or another family member invited by the Council of Bishops to attend a memorial service held at a Council of Bishops meeting.
- The travel expenses of a newly elected or newly assigned bishop and spouse to the assigned episcopal area(s) for one visit prior to the start date of the assignment for the purpose of visiting the episcopal residence and area office.
- The expenses of the spouse of a newly elected bishop to attend one experience of the Council of Bishops' orientation for newly elected bishops or one COB meeting if unable to attend the orientation within the first four years after election.

- Episcopal area travel expenses, up to \$30,000 annually. Episcopal area travel is covered only within the boundaries of the episcopal area. Area or annual conference business that is outside of the episcopal area is not covered except below:
 - Expenses of travel to seminaries only within continental boundaries to counsel with students from within the area or for recruitment purposes shall be charged to the Episcopal Fund as area travel.
 - Area events (ie: cabinet retreat) that require a particular location or venue that cannot be found within the episcopal area, then travel can be reimbursed as long as the location is within the same state or the state bordering the episcopal area boundary.
 - For states that contain more than one episcopal area, travel outside of the area for statewide events that require both bishops to attend, travel for the bishop that would need to travel outside of their episcopal area would be covered.
 - For area travel expenses purposes, the location used for reporting the bishop's taxable income shall be considered the bishop's primary residence. Any travel within the episcopal area boundaries will be covered as area travel to include lodging. If a second residence is provided by another annual conference within the episcopal area that the bishop stays in during travel the government's established per diem rates for the area can be reimbursed to the conference up to the amount of the monthly rent or mortgage for the nights the bishop stays there.
- Up to three days of travel-related expenses incurred by central conference bishops who remain in the United States between two meetings which occur no more than seven days apart, as long as (1) travel-related expenses for both meetings are to be reimbursed by the Episcopal Fund and (2) the additional expenses are incurred at either of the meetings' locations. Variations to this policy must be negotiated in advance with the Chair of the COB Finance Committee and the Director of Episcopal Services.
- Travel expenses to Connectional Table regular and advisory team meetings by a bishop serving as the chair of the Connectional Table. Other travel expenses related to the work of the Connectional Table shall be reimbursed by funds from the Connectional Table.
- Travel expenses to Connectional Table Meetings incurred by the presidents and general secretaries of the boards and agencies, including bishops shall not be paid from the Episcopal Fund (these expenses shall be reimbursed by their respective agencies).
- Travel expenses to Connectional Table Meetings incurred by members from each of the racial ethnic caucuses, including bishops, as elected by the Connectional Table shall not be paid from the Episcopal Fund.
- A maximum of \$1,000 annually, per active bishop, for annual fees for membership in one airline club, such as Priority Pass or Delta Sky Club (fees for additional, overlapping memberships will not be paid), one business credit card annually, fees for travel programs for expedited security such as TSA Pre-Check, Global Pass, Clearme, etc. (travel costs for any related interviews will not be paid).
- If additional charges or penalties are imposed resulting from changes in travel plans, these additional costs will be paid by the Episcopal Fund unless the change was for non-

emergency personal reasons, in which event the additional charges or penalties will be a personal cost.

- Under no circumstances will an individual be permitted to alter cost-efficient travel plans to receive or earn promotional program advantages, such as frequent flyer miles, for the traveler's personal benefit.

The Episcopal Fund shall not pay for the following expenses:

- Expenses for bishops assigned to task groups or special committees legislated by General Conference to represent the Council of Bishops (these expenses shall be paid from the budget allocated for the program or project).
- Authorized travel of bishops to meetings of the National Council of the Churches of Christ in the USA, the World Council of Churches, the Executive Committee of the World Methodist Council, and the Consultation on Church Union (these expenses shall be charged to the travel fund of the Interdenominational Cooperation Fund).
- When a bishop is issued an invitation to be a speaker, preacher, or provide any leadership experience (these expenses are the responsibility of the inviting/hosting entity).
- Commuting expenses between residence and office (these expenses, by IRS rules, are not reimbursable items from any entity).
- Travel expenses for addresses and lectures for which an honorarium is received.
- Expenses of travel to meetings of learned and fraternal societies.
- Expenses for gifts or hospitality. These are considered office expense items.
- Spouse's expenses when accompanying the bishop on episcopal travel.

Procedures

The cost of each effective bishop's official travel, in accordance with policies determined by GCFA, shall be paid upon the presentation of an itemized monthly expense statement provided to GCFA by the 30th of the following month. Expenses must be submitted within 60 days to be considered for reimbursement.

The supporting data required by GCFA are the customer's copies of airline tickets, itemized receipted hotel/motel and meal bills. Receipts or daily logs including date, location, business purpose, means, and cost are acceptable documentation for meals and minor miscellaneous expenses under \$75 as an exception when the receipt is unavailable or lost. Bishops may request an advance for international travel to be liquidated by submission of monthly travel expense vouchers before any new advance is made available.

Air travel is normally by the most economical coach fare available (economy, or as available, economy plus) from the assigned episcopal area(s) to the location of the meeting. For international

travel involving a one-way trip in excess of 3,000 miles, one additional day's lodging and meals expense shall be reimbursed upon arrival at the meeting location.

Travel expenses for international travel or global visitation are paid from the Episcopal Fund on the submission of an expense report accompanied by required supporting documents showing the minutes reflecting the Council of Bishops prior approval of the travel.

If, in connection with travel paid from the Episcopal Fund, a bishop or COB staff wishes to travel elsewhere for work for which expenses are not chargeable to the Episcopal Fund under provisions of this report, arrangements for reimbursements for expenses related to the extended stay or additional travel should be made with the agencies involved or paid personally by the bishop.

Mileage rates or other reimbursement for the costs of travel by car shall be determined by GCFA. When the round-trip distance outside the episcopal area(s) exceeds 1,000 miles for any one round trip, the cost of transportation shall be paid either on the actual mileage by the most direct route possible and to include one hotel stay each direction if needed or at the most economical airfare available, whichever is the lesser amount. If airfare, including parking and mileage to and from the airport, is the lesser amount compared to mileage with hotel costs, any hotel expenses incurred during car travel will not be reimbursed.

Central conference bishops' area travel by automobile shall be reimbursed for mileage/kilometers in accordance of the approved benchmarks set by GCFA per country. Mileage in excess of 1,000 miles can be paid where flight options are not available in central conference areas. No fuel or repair expenses will be paid.

Responsibility

The Director of Episcopal Services shall be responsible for overseeing and implementing this policy.

Originating Committee

General Agency and Episcopal Matters after consultation with the Council of Bishops

EPISCOPAL FUND POLICY & PROCEDURE MANUAL
Policy: Retirement Policy
Adopted: February 21, 2025
Revised:

Policy

The Council of Bishops (COB) through Wespeth provides a retirement plan to bishops in addition to the 403(b) United Methodist Personal Investment Plan (UMPIP). This plan, the Clergy Retirement Security Program (CRSP), is fully funded by the Episcopal Fund. All employees become vested as of the first day of the month following an employee's date of employment. If an employee is hired on the first day of the month, they are immediately vested in the retirement plan.

Interim Assignment – Retired Bishop

Policy

If a retired bishop is asked to serve in an interim position and assigned to assume presidential responsibilities as described in ¶ 409.3, the Episcopal Fund will be responsible, upon request, for the difference between the remuneration of an active bishop's current salary in the jurisdictional or central conference area from which the bishop retired, and the pension payment as provided by Wespath. If the retired bishop that is serving as interim relocates for the duration of their interim service to the episcopal area, costs of a move to the episcopal area and return to home of record are covered by the Episcopal Fund.

The status of a retired bishop on interim assignment shall, for the purposes of housing and other benefits, be that of a retired bishop. Office and housing grants for the episcopal area with no break in funding.

If the retired bishop that is serving as interim is living outside of the episcopal area, the cost to commute to and from the episcopal area is the responsibility of the annual conference. Housing costs for the interim retired bishop are covered by the annual conference(s).

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Interim Bishop- Active

Adopted: February 21, 2025

Revised:

Interim Assignment - Active Bishop

Policy

If an active bishop is asked to serve in an interim position and assigned to assume presidential responsibilities for an additional episcopal area along with the current assigned episcopal area the following shall apply:

- No additional salary cost will be paid for an active bishop that is serving on interim assignment.
- Travel expenses to visit the interim episcopal area from the assigned episcopal area will be paid as area travel.
- Car travel between the two episcopal areas will be considered traveling within the extended episcopal area, therefore the 1,000-mile travel policy would not apply.
- Office and housing grants for the interim episcopal area will continue with no break in funding to ensure the interim episcopal area is able to maintain normal operations until a new bishop is assigned. In areas where there is a division of responsibilities because more than one bishop is serving one episcopal area, the Committee on Episcopacy and the Episcopal Residence Committees will assist with the best usage of the office and housing grants for the Episcopal Area. Funds will be sent to the same annual conference or office account where they are currently sent.
- Travel expense reimbursement coverage to the interim area begins the date coverage starts.
- The Episcopal Fund will pay for the active bishop that is serving as interim to take one trip to the interim area prior to the start date of coverage to allow pre-work in the area to be done.
- If the active bishop that is serving as interim will be staying in the episcopal residence in the interim area, the housing grant will be used towards those costs. Housing or hotel costs will not be reimbursed.
- If the active bishop that is serving as interim plans to travel in for short stays (typically 2 weeks or less), and will not be using the episcopal residence, then costs for a stay in a hotel will be reimbursed. Longer visits would be considered housing, and the annual conference would cover the housing costs from the housing grant.
- The equipment and furnishings grant will be available in the interim area for use as needed to purchase equipment specific to the work in the interim area. Any equipment purchased for the interim area will remain in the interim area when interim coverage ends.
- If an extra embosser will be needed in the interim area for when the active bishop that is serving as interim is not present, please send a request to GCFA Episcopal Services to have this ordered.
- The episcopal area, as assigned by the jurisdictional conference, is the permanent assignment. Moving costs to relocate to the interim area are not covered by the Episcopal Fund.

Office Equipment & Furnishings Grant

Policy

The Episcopal Fund will reimburse purchases of office equipment and furnishings, at the discretion of each bishop, in an amount not to exceed \$10,000 in any one quadrennium for any one episcopal area.

All purchases remain the property of the episcopal office with the exception of electronic equipment such as computer, cell phone, and iPad/Kindle/Nook in the bishop's office. Each bishop must comply with and sign the electronic equipment protocol and transfer of files agreement developed by the General Council on Finance and Administration stating his/her intent to take or leave electronic equipment for items purchased using this grant. If the bishop takes the electronic equipment, the bishop will reimburse the episcopal office the current value of the electronic equipment as outlined in the electronic equipment protocol document.

Office supplies and maintenance of office equipment will be an office spending plan item paid from the office allowance. Capital expenditures are not reimbursable from the Episcopal Fund.

Episcopal Office Audits

Policy

Jurisdictional Conferences. A full audit of episcopal office and housing funds will be conducted based on generally accepted auditing standards (GAAS). Financial statements accompanying the audit will be prepared in accordance with generally accepted accounting principles (GAAP). A full audit will be conducted annually for each calendar year, and a written report will be provided to the General Council on Finance and Administration (GCFA) by July 31 of the following year.

When the episcopal office and housing funds are administered through the annual conference treasury, a separate audit is not required if the conference audit includes separate schedules for episcopal office and housing funds. GCFA strongly encourages the appropriate segregation of duties in the handling of episcopal funds.

Central Conferences. A full audit of episcopal office and housing funds will be conducted based on approved International Standards on Auditing. Financial statements accompanying the audit will be prepared in accordance with International Financial Reporting Standards. A full audit will be conducted annually for each calendar year, and a written report shall be provided to GCFA by July 31 of the following year.

A status report on audits will be made by GCFA's Committee on Audit and Review to GCFA's Committee on General Agency and Episcopal Matters (GAEM) and to the GCFA Board. If the audit is not received by December 31, office allowance funding to the episcopal area will automatically be suspended until a satisfactory audit is received.

The cost of the annual audit will be an office spending plan item paid from the office allowance.

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Moving

Adopted: February 21, 2025

Revised:

Moving

Policy

Absent prior approval by GCFA, the Episcopal Fund will be responsible for paying for only one move of a bishop during a quadrennium. In order for a move to be paid by the Episcopal Fund, it must be made (a) within the first 12 months of an assignment/reassignment of an active bishop, (b) within three years after retirement, or (c) within two years prior to retirement, in consultation with the area episcopacy committee. Only moves within the continent of the bishop's episcopal service will be paid for by the Episcopal Fund.

The episcopal area, as assigned by the jurisdictional conference, is the permanent assignment. For active bishops assigned to an interim position, moving costs to relocate to the interim area are not covered by the Episcopal Fund.

The Episcopal Fund will pay for the relocation of a surviving spouse of an active bishop, within the continent of the bishop's episcopal service, if the move occurs within 120 days of the death of the active bishop.

Pre-approved moving storage expense is reimbursable for a 30-day period.

If a bishop, upon retirement, accepts an assignment of Church-wide responsibility with direct relationship and accountability to the Council of Bishops (§ 408.1d(1)), and if the assignment requires residence at a specific location, the Episcopal Fund will be responsible for the payment of moving expenses to that location. The bishop remains eligible for payment of moving expenses by the Episcopal Fund to a retirement residence within the continent of the bishop's episcopal service if that move occurs within three years of the time the assignment of Church-wide responsibility with direct relationship and accountability to the Council of Bishops ends.

If a bishop, upon retirement, accepts an assignment of Church-wide responsibility with a general agency or United Methodist Church-related institution of higher education (§ 408.1d(2)), moving expenses related to such an assignment are the responsibility of the agency or institution, unless the location of the assignment is also the bishop's permanent retirement residence, in which case the Episcopal Fund will be responsible for the cost and this shall be considered the one covered moving expense. If the moving expenses to such an assignment are paid by the agency or institution, the bishop will remain eligible for payment of moving expenses from the Episcopal Fund to a permanent retirement residence within the continent of the bishop's episcopal service if that move occurs within three years of the time the assignment ends.

Jurisdictional Conferences. GCFA contracts with a national moving company for the relocation of household goods for bishops. If the bishop chooses not to use the moving company contracted by GCFA, three estimates are required from moving companies of the bishop's choice. Following approval, an otherwise qualifying move will be reimbursed upon receipt of the invoice.

Central Conferences. Three estimates are required from moving companies of the bishop's choice. Following approval, the move will be reimbursed upon receipt of the invoice.

Current tax law requires the payment or reimbursement of moving expenses to be treated as taxable income. Therefore, tax withholding will be applied to payroll distribution and such amounts will be reported to the IRS at the end of the calendar year in which such expenses are paid.

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Group Health Care

Adopted: February 21, 2025

Revised:

Group Health Care

Policy

Bishops are covered for health benefits from the date of consecration as a bishop. All bishops will have the opportunity to participate in a cost-sharing plan for health insurance.

In the central conferences, if the participant is in a national mandatory health plan and there is an employer share, the Episcopal Fund will pay up to the amount paid for other bishops.

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Retiree Health Care

Adopted: February 21, 2025

Revised:

Retiree Health Care

Policy

Retirees will have the opportunity to participate in a cost-sharing plan for supplemental health insurance coverage, as well as the cost-sharing dental and vision plans.

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Renewal Leave

Adopted: February 21, 2025

Revised:

Renewal Leave

Policy

Paragraph 410.2 provides that every bishop in the active relationship shall take up to three months' leave from the normal responsibilities of the episcopacy for purposes of reflection, study, and self-renewal during each quadrennium.

A bishop's renewal leave request will first be approved by the college of bishops and reported to the Council of Bishops. The secretary of the Council of Bishops will certify to GCFA the approved list of bishops to be on renewal leave.

During the period of renewal leave, the following financial arrangements will be in effect:

1. Cash salary will continue, subject to the provisions of (5), below.
2. Reimbursement will be made, subject to the provisions of (5), below, within the usual guidelines for episcopal expense from the Episcopal Fund according to the Episcopal Fund Travel Policies and Procedures, supported by necessary documentation, will be:
 - a. Expenses up to \$4,000 for the quadrennium for actual expenses of travel, tuition and housing.
3. Expenses incurred in providing temporary episcopal supervision by a bishop from a nearby episcopal area necessitated by the absence of a bishop on renewal leave shall be reimbursed by the Episcopal Fund.
4. Reimbursable episcopal travel expenses will not be paid during renewal leave unless authorized by the Council of Bishops.
5. Compensation or honoraria received for any activity during renewal leave will be deducted from b. (1) or (2) above.

Continuing Education

Policy

Expense reimbursement up to \$2,500 annually is available to active bishops for purpose of continuing education. Continuing education develops episcopal servants to serve faithfully and effectively in ministry. The following guidelines are to assist active bishops for continuing education planning.

The continuing education fund is available to assist active bishops to:

- Expand and deepen a bishop's knowledge and understanding of their role and how to effectively carry out their responsibilities.
- Sharpen and deepen gifts and skills to improve a bishop's ability and effectiveness to lead a conference to make disciples for the transformation of the world.

Continuing education events may include a workshop, seminar, symposium or class which has a direct connection to leading and carrying out the role of bishop and develop the gifts, skills, knowledge and understanding of a bishop for leading a conference to make disciples for the transformation of the world.

Payment requests must be submitted in writing to the GCFA Director of Episcopal Services at least 30 days prior to the event indicating the estimated costs, the event to be attended and a description of how the class or event will develop the bishop to be a better leader per the guidelines above.

Reimbursement requests must be submitted within 60 days of the event. Receipts are to be submitted according to approved standards. An advance for registration may be requested and appropriate receipts are to be submitted within 60 days of the event.

Continuing education funds for the class/event may be used for the following:

- Travel
- Lodging
- Food
- Registration/Tuition
- Required Books or Materials

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Sabbatical Leave

Adopted: February 21, 2025

Revised:

Sabbatical Leave

Policy

As provided in ¶ 410.3, a bishop may be provided sabbatical leave. No travel expenses will be provided during that time.

EPISCOPAL FUND POLICY & PROCEDURE MANUAL

Policy: Emergency Fund (Central Conferences)

Adopted: February 21, 2025

Revised:

Emergency Fund (Central Conferences)

Policy

When the safety of a bishop is threatened, evacuation expenses of the bishop and the bishop's spouse and minor children may be reimbursed. The Episcopal Fund has limited resources to provide assistance for the replacement or repair of episcopal residences and offices destroyed or damaged by conditions of war or civil unrest in the central conferences. In consultation with staff of the General Board of Global Ministries (GBGM) and the officers of the Executive Committee of the Council of Bishops, priorities will be determined to respond to needs when conditions of peace have been restored.

When GCFA has been notified that a bishop in a central conference is being evacuated due to unsafe conditions in the episcopal area, payment of housing and office allowance amounts will be suspended. Evacuation costs for the bishop and immediate family will be paid from the Bishops in Exile account of the Episcopal Fund upon authorization of the Council of Bishops and GCFA's General Secretary. Costs for temporary housing and/or office expenses in the interim shall be provided at the same amount until peace is restored to the area. When the bishop returns to the episcopal residence and office, payments of established amounts for housing and office support will resume.