

# Church of the United Brethren in Christ

## Agreement of Understanding

This agreement of understanding is between the following church and pastor:

Church: \_\_\_\_\_

Pastor: \_\_\_\_\_

This agreement, which presents the terms of the pastoral appointment by the conference stationing committee, is intended to reduce the possibility of wrong assumptions/misunderstandings on the part of the pastor or the parish. The goal is a healthy working relationship between pastor and congregation.

### Starting Date

Employment will begin \_\_\_\_\_.

### Salary

The annual salary is \$ \_\_\_\_\_ to be paid (circle one):    weekly    bi-weekly    monthly

### Social Security

State the amount of social security the church will pay the pastor this year. \$ \_\_\_\_\_.

(Most annual conferences consider half the cost of social security as part of the total pay package for their pastor. The amount is determined by combining the salary, housing, plus utilities, and multiplying by the government rate.)

If your pastor has opted out of the social security system, state how this benefit will be paid instead of a payment into the social security system. \_\_\_\_\_

### Insurance

State the health insurance coverage the church provides for the pastor and family. \_\_\_\_\_

State the disability insurance coverage. \_\_\_\_\_

### Pension

The denominational pension program has two-parts: the Defined Benefit Plan and the 403(b) Tax Sheltered Annuity Plan.

1. State the amount the church will pay to the conference for the Defined Benefit Plan (amount assessed by the conference—7.5% times salary up to \$21,000 for 1996). \$ \_\_\_\_\_  
(*addition to salary reduction*)

2. State the amount the church will contribute via a Salary Increase Agreement to the 403(b) TSA Plan. (The treasurer withholds the pastor's percentage via a Salary Reduction Agreement and sends it directly to the denominational treasurer each month.) \$ \_\_\_\_\_  
(*in lieu of salary reduction*)

### Housing

Will the church provide a parsonage or a housing allowance that will enable the pastor to rent or purchase a home? Yes    No  
State the fair monthly rental value of the house, or the monthly housing allowance provided for the pastor.

Rental value: \$ \_\_\_\_\_                      Monthly housing allowance: \$ \_\_\_\_\_.

State any expectations or restrictions concerning the parsonage (if any). \_\_\_\_\_

\_\_\_\_\_

**Utilities**

What utilities will the church pay as part of the housing package? \_\_\_\_\_

- How are the utility bills paid?     Paid by the church treasurer
- The pastor pays the utility bills and submits an expense voucher
- Other (explain): \_\_\_\_\_

**Vacation**

State the number of weeks of vacation per year. \_\_\_\_\_  
(Standard guidelines: 2 weeks for 1-5 years of service, 3 weeks for 6-10 years, 4 weeks for 11-20 years, 5 weeks for 21+ years.)

How long does the pastor need to be at the church before receiving vacation time? \_\_\_\_\_

State any expectations of the pastor regarding vacation time. \_\_\_\_\_

**Continuing Education Budget**

What is the annual continuing education amount budgeted for the pastor? \$ \_\_\_\_\_

**Moving Expenses**

State the moving arrangements (rental truck, professional mover) and who is responsible for paying the moving expenses.

**Travel Expenses for the Pastor**

The church will pay \_\_\_\_\_ cents per mile for a maximum of \_\_\_\_\_ miles per year for ministry travel.

How often must the pastor turn in travel expenses to the church treasurer? \_\_\_\_\_

State any special arrangements regarding travel expenses. \_\_\_\_\_

**Reimbursement Plan for Church Expenses**

State the policy and procedure for the reimbursement of expenses incurred in the ministry (the cost of ministry should be paid by the church). Note: the IRS states that reimbursement of expenses cannot be deducted from salary.

**What professional ministry expenses will the church cover?**

- |  |   |  |   |
|--|---|--|---|
| <input type="checkbox"/> Home entertainment          | <input type="checkbox"/> Continuing education | <input type="checkbox"/> Book allowance      | <input type="checkbox"/> Work-related meals |
| <input type="checkbox"/> Ministerial luncheons, etc. | <input type="checkbox"/> Periodicals          | <input type="checkbox"/> Conference expenses | <input type="checkbox"/> Professional dues  |
| <input type="checkbox"/> Civic activities            | <input type="checkbox"/> Equipment            | <input type="checkbox"/> Other (state)       |   |

**Review of Salary and Benefits**

State when salary and benefits will be reviewed by the Personnel Relations Commission or Board of Administration. \_\_\_\_\_

**Special Understandings** (schooling, working spouse, pets, etc.). \_\_\_\_\_

PRC/Board Chairperson \_\_\_\_\_ Date \_\_\_\_\_

Pastor \_\_\_\_\_ Date \_\_\_\_\_

Conference Superintendent \_\_\_\_\_ Date \_\_\_\_\_